Supreme Court, U.S.
FILED

97 717 OCT 24 1997

No. of the Clerk

In The

Supreme Court of the United States

October Term, 1997

TRINITY INDUSTRIES, INC.,

Petitioner,

v.

JOHNSTOWN AMERICA CORPORATION AND JAC PATENT CORPORATION,

Respondents.

On Petition For A Writ Of Certiorari To The United States Court Of Appeals For The Federal Circuit

PETITION FOR A WRIT OF CERTIORARI

LARRY D. CARLSON
Counsel of Record
DAVID G. WILLE
BAKER & BOTTS, L.L.P.
2001 Ross Avenue
Dallas, Texas 75201-2980
Telephone: (214) 953-6500

Attorneys for Petitioner

October 23, 1997

COCKLE LAW BRIEF PRINTING CO., (800) 225-6964
OR CALL COLLECT (402) 342-2831

69 pp
$10

QUESTION PRESENTED

1. Where a federal appellate court reverses a judgment with which the appellee was satisfied prior to reversal, does the appellee waive the right to seek remand on an issue affected by the reversal by failing to file a conditional cross appeal?

PARTIES TO THE PROCEEDINGS

The following are parties in this case:

1. Trinity Industries, Inc. – Trinity Industries, Inc. has no parent company and no nonwholly owned subsidiaries.

2. JAC Patent Corporation – JAC Patent Corporation is a wholly owned subsidiary of party Johnstown America Corporation.

3. Johnstown America Corporation – Johnstown America Corporation is a wholly owned subsidiary of Johnstown America Industries, Inc.

TABLE OF CONTENTS

Page

QUESTION PRESENTED i

PARTIES TO THE PROCEEDINGS ii

TABLE OF CONTENTS iii

TABLE OF AUTHORITIES iv

OPINIONS BELOW 1

STATEMENT OF JURISDICTION 1

STATEMENT OF THE CASE 2

PROCEEDINGS BELOW 4

REASONS FOR GRANTING THE WRIT 6

I. AN APPELLEE WHO IS SATISFIED WITH THE JUDGMENT OF A DISTRICT COURT SHOULD NOT BE REQUIRED TO FILE A CONDITIONAL CROSS APPEAL TO SEEK REMAND IF THE APPELLATE COURT REVERSES THAT JUDGMENT 7

A. The Federal Circuit's Practice Requiring Conditional Cross Appeals Conflicts in Principle With Prior Decisions of This Court 9

B. The Federal Circuit's Practice Requiring Conditional Cross Appeals Directly Conflicts With Decisions of Other Federal Courts of Appeals 18

C. Conclusion 20

CONCLUSION 21

TABLE OF AUTHORITIES

Page

CASES

Bede v. Baker & English, Inc., 274 F.2d 833 (6th Cir. 1960) 19

Bowen v. United States Postal Service, 459 U.S. 212 (1983) 12, 13, 18

Bowen v. United States Postal Service, 642 F.2d 79 (4th Cir. 1981), *rev'd*, 459 U.S. 212 (1983) 18

Brinley v. Commissioner of Internal Revenue, 782 F.2d 1326 (5th Cir. 1986) 16

Butler v. First National Bank of Commerce, 552 F.2d 1112 (5th Cir. 1977) 20

Byrd v. Blue Ridge Rural Electric Cooperative, 356 U.S. 525 (1958) 15, 16

Cardinal Chemical Co. v. Morton Intern., Inc., 508 U.S. 83 (1993) 9

Council 31, AFSCME v. Ward, 978 F.2d 373 (7th Cir. 1992) 8

Dalle Tezze v. Director, 814 F.2d 129 (3rd Cir. 1987) 9, 11, 20

Deposit Guaranty Nat. Bank v. Roper, 445 U.S. 326 (1980) 11

Erie Technological Products v. Die Craft Metal Products, 461 F.2d 5 (7th Cir. 1972) 19

Exxon v. Lubrizol, 64 F.3d 1553 (1995) 17

Graham v. Cockshutt Farm Equipment, 256 F.2d 358 (5th Cir. 1958) 19

TABLE OF AUTHORITIES – Continued

Page

Guiberson Corp. v. Equipment Engineers, 252 F.2d 431 (5th Cir. 1958) 19

Hartford Acc. and Indem. Co. v. Sullivan, 846 F.2d 377 (7th Cir. 1988) 9

Hartman v. Duffey, 19 F.3d 1459 (D.C. Cir. 1994) 8

Hilton v. Mumaw, 522 F.2d 588 (9th Cir. 1975) 8

Johnstown America Corporation v. Trinity Industries, Inc., 865 F.Supp. 1159 (W.D. Pa. 1994) 1, 5

Jones & Laughlin Steel Corp. v. Johns-Manville Sales Corp., 626 F.2d 280 (3rd Cir. 1980) 8

Landsberg v. Scrabble Crossword Game Players, Inc., 802 F.2d 1193 (9th Cir. 1986) 20

M.O.S. Corp. v. John I. Haas Co., 375 F.2d 615 (9th Cir. 1967) 19

Mannix Co. v. Healey, 341 F.2d 1009 (5th Cir. 1965) 19

Markman v. Westview Instruments, Inc., 116 S.Ct. 1384 (1996) 4, 9

Maytag Co. v. Murray Corp., 318 F.2d 79 (6th Cir. 1963) 19

Merco Norstrom Valve Co. v. W.M. Acker Org., 131 F.2d 277 (6th Cir. 1942) 19

Panduit Corp. v. Dennison Mfg. Co., 810 F.2d 1561 (Fed. Cir. 1987) 14, 16

Parker v. Nashua, 76 F.3d 9 (1st Cir. 1996) 8

Radio Steel & Mfg. Co. v. MTD Products, 731 F.2d 840 (Fed. Cir. 1984) 10, 11

TABLE OF AUTHORITIES – Continued

Page

School Board v. Malone, 762 F.2d 1210 (4th Cir. 1985) 8

Shelcore, Inc. v. Durham Industries, 745 F.2d 621 (Fed. Cir. 1984) 10

Stelos Co. v. Hosiery Motor-Mend Corp., 295 U.S. 237 (1935) 11, 12, 13

Stewart v. United States, 327 F.2d 201 (10th Cir. 1964) 8

Trudeau v. Wyrick, 713 F.2d 1360 (8th Cir. 1983) 8

United States v. American Ry. Express Co., 265 U.S. 425 (1924) 11

United States v. Bohn, 959 F.2d 389 (2d Cir. 1992) 8, 9, 13, 18, 19, 20

United States v. Fennell, 77 F.3d 510 (D.C. Cir. 1996) ..9, 20

United States v. Hill, 42 F.3d 914 (5th Cir. 1995) ...8, 20

United States v. Milledge, 109 F.3d 312 (6th Cir. 1997) 8, 20

United States Surgical Corp. v. Ethicon, 103 F.3d 1554 (Fed. Cir. 1997), *petition for cert. filed*, 60 U.S.L.W. 3171 (U.S. Aug. 27, 1997) (No. 97-360) 8

Vieau v. Japax, Inc., 823 F.2d 1510 (Fed. Cir. 1987) 10

STATUTES

28 U.S.C. § 1254(1) 1

28 U.S.C. § 1295 1

TABLE OF AUTHORITIES – Continued

Page

28 U.S.C. § 1338 4

35 U.S.C. §§ 102, 103 ..... 3, 14

MISCELLANEOUS

Robert L. Stern, *When to Cross-Appeal or Cross-Petition – Certainty or Confusion?* 87 Harv. L. Rev. 763 (1974) 11

15A Charles A. Wright, et al., *Federal Practice and Procedure* § 3904, at 203-04 (1992) 18

PETITION FOR A WRIT OF CERTIORARI

Trinity Industries, Inc. ("Trinity") respectfully petitions for a writ of certiorari to review the judgment of the United States Court of Appeals for the Federal Circuit in this case.

OPINIONS BELOW

The Summary Judgment opinion of the district court (App. 9 – 32) is reported at 865 F. Supp. 1159 (W.D. Pa. 1994). The opinions of the Court of Appeals for the Federal Circuit on the merits (App. 1 – 8) and on Trinity's Petition for rehearing (App. 35 – 40) are unpublished.

STATEMENT OF JURISDICTION

Petitioner Trinity seeks review of the judgment of the Court of Appeals for the Federal Circuit entered May 28, 1997, and the denial of Trinity's timely petition for rehearing entered July 30, 1997. The Court of Appeals for the Federal Circuit had jurisdiction pursuant to 28 U.S.C. § 1295, which gives that court exclusive jurisdiction over appeals in patent cases. This Court has jurisdiction to review the judgment and denial of petition by the Court of Appeals for the Federal Circuit pursuant to 28 U.S.C. § 1254(1).

STATEMENT OF THE CASE

This is a patent case. Plaintiffs Johnstown American Corporation and JAC Patent Corporation (collectively "JAC"), licensee and owner of United States Patent No. 4,361,097 (the " '097 patent") respe[illegible]ely, sued Trinity claiming that its Aluminator II railway car infringed every claim in the '097 patent. The '097 patent contains just two independent claims, which are set forth below.[1]

The '097 patent claims a railway car floor structure comprised of two longitudinal troughs on either side of and extending below a longitudinal structural member referred to as a center sill. A key limitation present in all claims of the '097 patent is the requirement that the

---

[1] Claim 1 provides as follows:

> 1. A railway car for carrying bulk materials having a pair of side walls and a pair of end walls supported by spaced trucks, the improvement comprising a floor structure having
>
> (a) a center sill extending longitudinally over said trucks,
>
> (b) a pair of concave floor panels between said trucks, each panel forming a longitudinal curvilinear trough having closed ends, the longitudinal axis of each of said troughs extending parallel to the longitudinal axis of said center sill.

Claim 6 provides as follows:

> 6. A floor for a railway car comprising a center sill and a pair of longitudinal curvilinear troughs having closed ends secured to opposite sides of said center sill with the longitudinal axes of said troughs extending parallel to the longitudinal axis of said center sill.

longitudinal axes of the troughs must be parallel to the longitudinal axis of the center sill.

The parallelism limitation was added after the United States Patent & Trademark Office ("PTO") rejected all claims in the original patent application under 35 U.S.C. §§ 102, 103 based wholly or in part upon a 1922 patent, United States Patent No. 1,412,660 (the " '660 prior art patent"). The '660 prior art patent disclosed a railway car floor structure comprised of longitudinal troughs on either side of and below the longitudinal center sill structural member, but whose troughs were angled rather than being horizontal or parallel to the rail.

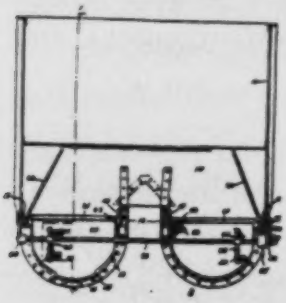


Fig. 2, '660 prior art patent.

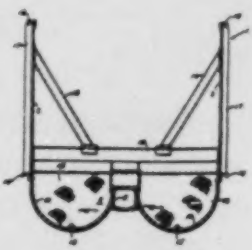


Fig. 3, '097 patent.

Here are copies of figures from the '097 patent and the '660 prior art patent.

The Trinity engineers who designed the Aluminator II sought to create a railway car that was different from and better than the railway cars that came before it. The troughs of the Aluminator II, like the troughs of the '660 prior art car, are not horizontal or parallel to the rail. Instead, they are pitched at a significant angle, which creates a number of benefits over horizontal troughs, including enhanced drainage, which facilitates efficient unloading and avoids coal hang-up during the discharge

process. The PTO ultimately granted three patents covering the floor structure of the Aluminator II. United States Patent Nos. 5,178,074; 5,341,747; Des. 344,913.

Proceedings Below

JAC sued Trinity for patent infringement on December 11, 1992, in the United States District Court for the Western District of Pennsylvania, Johnstown Division. The district court had jurisdiction pursuant to 28 U.S.C. § 1338, which grants exclusive jurisdiction to federal courts in patent cases. Trinity denied infringement, denied that the '097 patent was valid, and counterclaimed for a declaratory judgment of noninfringement and invalidity.

On September 13, 1993, Trinity moved for summary judgment of noninfringement based upon the absence in its Aluminator II railway car of a single element present in all claims of the '097 patent, the element requiring that the longitudinal axis of the troughs must be parallel to the longitudinal axis of the center sill. On September 2, 1994, the district court issued its opinion on Trinity's motion for summary judgment of noninfringement. (APP. 9-32) The district court interpreted the meaning of the parallelism limitation in all claims of the '097 patent as a matter of law, as would later be required by this Court's decision in *Markman v. Westview Instruments, Inc.*, 116 S. Ct. 1384 (1996). Based upon that claim construction, the district court found that because the troughs of the Aluminator II were angled, the longitudinal axes of those troughs were not parallel to the longitudinal axis of the center sill. (APP. 17-21) Therefore, the court determined

that there was no literal infringement as a matter of law. The district court found that JAC's claim of infringement under the doctrine of equivalents presented fact issues that required resolution by a jury. (APP. 21-25) The district court's decision is reported at 865 F. Supp. 1159 (W.D. Pa. 1994).

The case was tried to a jury in July and August, 1996. Trinity challenged the validity of the '097 patent based on the '660 prior art patent, a prior art railway car made by Pullman (which was not before the PTO examiner who issued the '097 patent), and other prior art. In its charge, the district court instructed the jury on its construction of the parallelism limitation in the '097 patent, in effect advising the jury that the claimed invention was limited to troughs that were horizontal or parallel to the rail. Accordingly, the jury made its decisions about infringement and validity in light of that claim construction.

After a three week trial, the jury found that the Aluminator II did not infringe the '097 patent under the doctrine of equivalents and that Trinity had not shown the '097 patent to be invalid by clear and convincing evidence. The judgment of the district court on the jury verdict stated, "IT IS ORDERED AND ADJUDGED That judgment be entered in favor of the defendant, Trinity Industries, Inc. Judgment is hereby entered in accordance with the above verdict." (APP. 33)

JAC appealed to the United States Court of Appeals for the Federal Circuit. The Federal Circuit found that the district court misconstrued the parallelism limitation language in the claims. It adopted its own claim construction that gave the claims a much broader scope. (APP. 6-7) In

light of its new, broader claim construction, the Federal Circuit reversed the summary judgment in favor of Trinity and determined that Trinity's Aluminator II railway car infringed at least claims 1 and 6 of the '097 patent. "[W]e reverse the judgment of noninfringement and remand the case to the district court for a determination as to damages and for consideration of Johnstown's argument that Trinity's infringement was willful." (APP. 8) The Federal Circuit designated its opinion as unpublished.

Trinity petitioned for rehearing, alleging that it deserved a new trial on infringement and validity. With respect to validity, Trinity contended that the Federal Circuit's broader construction of the claims rendered them more susceptible to attack and that it should be allowed to present prior art evidence and arguments that would not have been admissible under the district court's claim construction that was the basis for the jury trial.

After requiring a response from JAC, the Federal Circuit denied Trinity's petition for rehearing. (APP. 35-40) The court held that Trinity waived the issue of validity by failing to take a cross appeal on that issue. (APP. 39-40)

REASONS FOR GRANTING THE WRIT

This case presents an important issue of appellate procedure that traditionally has been governed by this Court's decisions, rather than by statute or rule. The federal appellate courts have developed a split of authority on this issue, and the Federal Circuit's decision in this

case is on the wrong side of the divide. Its decision conflicts not only with reasoning of other circuits, but with the reasoning of prior decisions of this Court. After dissecting the policy implications of the Federal Circuit's decision, the error of that decision becomes clear.

The Federal Circuit held that Trinity, as appellee, waived the affirmative defense of patent invalidity by failing to file a conditional cross appeal. This Court has suggested in dictum that the failure to file a conditional cross appeal does not result in a waiver where the appellee's displeasure arises only after a reversal of the district court's judgment, as is the case here. Moreover, in the context of patent cases, this Court has explicitly recognized that a defendant need not file a cross petition for certiorari to address the affirmative defense of patent invalidity where the appellate court has found the patent valid but not infringed. Prior to the creation of the Federal Circuit, appellate courts used similar reasoning in unanimously rejecting the Federal Circuit's view here. Although the appellate courts are split as to the necessity for conditional cross appeals, the better view is expressed by those circuits that have rejected the requirement.

I. AN APPELLEE WHO IS SATISFIED WITH THE JUDGMENT OF A DISTRICT COURT SHOULD NOT BE REQUIRED TO FILE A CONDITIONAL CROSS APPEAL TO SEEK REMAND IF THE APPELLATE COURT REVERSES THAT JUDGMENT.

This Court's decisions, not a statute or rule, have established the circumstances under which cross appeals

must be filed. A number of appellate courts have consulted these decisions in approving the use of conditional cross appeals. In a conditional cross appeal, an appellee files a cross appeal raising issues that should be addressed only in the event of appellate reversal or modification of the judgment of the district court. *Hartman v. Duffey*, 19 F.3d 1459, 1465 (D.C. Cir. 1994). Issues raised in a conditional cross appeal ordinarily will be deemed moot and will not be addressed by the appellate court unless it reverses or modifies the judgment of the district court. *See id.* Federal appellate courts thus generally agree that appellees *may* file conditional cross appeals.[2]

Recently, successful appellants have begun to assert that appellees *must* file conditional cross appeals to avoid waiving their right to argue, in the event of reversal, either for a remand for further proceedings or for a modification of the district court's judgment in light of the change in the judgment on appeal. *United States v.*

---

[2] Each circuit allows conditional cross appeals. *E.g.*, 1st Circuit: *Parker v. Nashua*, 76 F.3d 9, 14 (1st Cir. 1996); 2nd Circuit: *United States v. Bohn*, 959 F.2d 389, 392-94 (2d Cir. 1992); 3rd Circuit: *Jones & Laughlin Steel Corp. v. Johns-Manville Sales Corp.*, 626 F.2d 280, 290 (3rd Cir. 1980); 4th Circuit: *School Board v. Malone*, 762 F.2d 1210, 1218 n.12 (4th Cir. 1985); 5th Circuit: *United States v. Hill*, 42 F.3d 914, 917 (5th Cir. 1995); 6th Circuit: *United States v. Milledge*, 109 F.3d 312, 315 (6th Cir. 1997); 7th Circuit: *Council 31, AFSCME v. Ward*, 978 F.2d 373, 380 (7th Cir. 1992); 8th Circuit: *Trudeau v. Wyrick*, 713 F.2d 1360, 1369 (8th Cir. 1983); 9th Circuit: *Hilton v. Mumaw*, 522 F.2d 588, 603 (9th Cir. 1975); 10th Circuit: *Stewart v. United States*, 327 F.2d 201, 203 (10th Cir. 1964); D.C. Circuit: *Hartman v. Duffey*, 19 F.3d 1459, 1465 (D.C. Cir. 1994); Fed. Circuit: *United States Surgical Corp. v. Ethicon*, 103 F.3d 1554, 1556 (Fed. Cir. 1997), *petition for cert. filed*, 60 U.S.L.W. 3171 (U.S. Aug. 27, 1997) (No. 97-360).

Fennell, 77 F.3d 510, 510 (D.C. Cir. 1996); *United States v. Bohn*, 959 F.2d 389, 392 (2d Cir. 1992); *Dalle Tezze v. Director*, 814 F.2d 129, 133 (3rd Cir. 1987). Judge Newman of the United States Court of Appeals for the Second Circuit found this issue a "matter of some uncertainty and surprisingly little authority." *Bohn*, 959 F.2d at 392. Similarly, Judge Posner found "no authority" on this issue. *Hartford Acc. and Indem. Co. v. Sullivan*, 846 F.2d 377, 385 (7th Cir. 1988). As will be discussed below, the decision of the Federal Circuit in this case conflicts with the decisions of other federal appellate courts that have decided this issue and with the reasoning of prior decisions of this Court. Because this issue potentially affects every appeal where all or part of the district court's judgment is reversed, this Court should grant certiorari in this case to resolve this important issue of appellate procedure and provide proper guidance to federal appellate courts. *See Cardinal Chemical Co. v. Morton Intern., Inc.*, 508 U.S. 83, 89 (1993) (granting certiorari due to importance of Federal Circuit procedural practice to entire nation). This issue is of particular importance given the Federal Circuit's frequent reconstruction of patent claim language on appeal in the wake of this Court's decision in *Markman v. Westview Instruments, Inc.*, 116 S. Ct. 1384 (1996).

A. The Federal Circuit's Practice Requiring Conditional Cross Appeals Conflicts in Principle with Prior Decisions of this Court.

The Federal Circuit's waiver holding conflicts with prior explicit statements by this Court. Before examining this Court's decisions, a brief summary of the relevant

facts is provided, with a more detailed development of the facts following the case law.

The district court granted summary judgment in favor of Trinity on the issue of literal infringement of the '097 patent and issued judgment in favor of Trinity following a jury trial on the issue of infringement under the doctrine of equivalents. The Federal Circuit held that Trinity waived its right to request a remand on the issue of patent validity by failing to file a conditional cross-appeal. The Federal Circuit so held even though: (1) Trinity was satisfied with the district court's judgment "in favor of the defendant, Trinity Industries, Inc."; (APP. 33) (2) given the district court's claim construction under which the case was tried, Trinity had no legitimate claim of reversible error with respect to the validity finding; and (3) the need for remand was created only by the Federal Circuit's reconstruction of the claims language on appeal, a reconstruction that dramatically expanded the scope of the claims, rendering them much more susceptible to a validity attack.

The Federal Circuit has adopted a practice of requiring a party that wins on the issue of infringement, but loses on the issue of validity to file a cross appeal to avoid waiving the right to address validity. An accused infringer who prevails on the issue of infringement but who seeks modification of the judgment is required to cross appeal to avoid waiving the right to challenge the validity of the patent. *Radio Steel & Mfg. Co. v. MTD Products*, 731 F.2d 840, 843-44 (Fed. Cir. 1984); *Vieau v. Japax, Inc.* 823 F.2d 1510, 1517 n.1 (Fed. Cir. 1987); *see also Shelcore, Inc. v. Durham Industries*, 745 F.2d 621, 623 n.1

(Fed. Cir. 1984). The present case illustrates that the Federal Circuit takes a broad view of its practice, extending the scope beyond that originally established. The *Radio Steel* case appears to only require a cross appeal where a party in Trinity's position seeks reversal or modification of the judgment. 731 F.2d at 844. Here, Trinity did not and does not seek modification of the district court judgment. Instead, Trinity only seeks a remand on an issue that would leave the judgment unchanged should Trinity prevail on remand. The Federal Circuit apparently has extended the scope of its announced practice to require the filing of a cross appeal conditional on reversal of the district court.

The Federal Circuit's rule conflicts in principle with the reasoning of prior decisions of this Court. This Court's longstanding rule is that a party is required to cross-appeal only when it seeks to modify the district court's judgment. *See United States v. American Ry. Express Co.*, 265 U.S. 425, 435 (1924). In fact, "[a] party who receives all that he has sought generally is not aggrieved by the judgment affording the relief and *cannot* appeal from it." *Deposit Guaranty Nat. Bank v. Roper*, 445 U.S. 326, 333 (1980) (emphasis added). "The justification for this rule is quite simple – a party who is happy with the judgment of a court should not have to appeal from it." *Dalle Tezze v. Director*, 814 F.2d 129, 133 (3rd Cir. 1987) (citing Robert L. Stern, *When to Cross-Appeal or Cross-Petition – Certainty or Confusion?*, 87 Harv. L. Rev. 763, 765 (1974)).

In *Stelos Co. v. Hosiery Motor-Mend Corp.*, 295 U.S. 237 (1935), this Court noted that a patent infringement defendant found not to have infringed a patent was not

required to file a cross-petition for certiorari to be able to argue the validity of the patent in this Court. The district court in *Stelos* found the patent invalid and not infringed. *Id.* at 238. On appeal, the Second Circuit affirmed the finding of noninfringement, but apparently found the patent valid. *Id.* at 238-39. This Court observed that because a finding of invalidity would support the judgment of the appellate court, the defendant was allowed to dispute validity without filing a cross-petition for certiorari. "In support of the judgment, the defendants might have urged the point as to invalidity, decided against them in the Circuit Court of Appeals, without applying for a cross-writ of certiorari." *Id.* at 239. The Federal Circuit's rule requiring conditional cross appeals conflicts with this reasoning.

More recently, this Court chose to comment on the use of conditional cross appeals and suggested that cross appeals are not required where the appellee only wishes to raise additional arguments in the event of reversal by the appellate court. In *Bowen v. United States Postal Service*, 459 U.S. 212 (1983), the district court's judgment apportioned damages between a union and an employer based upon their respective shares of a backpay award. *Id.* at 216-17. The Fourth Circuit reversed the finding of liability as to the union. Because of the lack of a conditional cross appeal by the appellee, the Fourth Circuit refused to reapportion the damages such that the employer was responsible for the full award. *Id.* at 217-218. In reversing the Fourth Circuit, the majority "noted in dictum that the Court of Appeals had erred in ruling that the lack of a conditional cross-appeal would have precluded an increase in the judgment against the

employer had the rejection of the judgment against the union remained undisturbed." *United States v. Bohn*, 959 F.2d 389, 393 (2d Cir. 1992) (citing *Bowen*, 459 U.S. at 217-18 n. 7). Similarly, three dissenters noted that a conditional cross appeal was not required. 459 U.S. at 244-45.

Collectively, the *Stelos* and *Bowen* decisions suggest the impropriety of the Federal Circuit's requirement that an appellee file a conditional cross appeal on the issue of validity to avoid waiving that argument. These cases stand for the proposition that a litigant who is happy with a judgment need not appeal to preserve the right to make arguments that only become relevant because the appellate court reverses the judgment of the district court. The policies underlying these decisions are sound. Because the present case illustrates some of those policies well, they will be discussed in that context.

Trinity was satisfied with the judgment of the district court. The judgment on the jury verdict stated, "IT IS ORDERED AND ADJUDGED That judgment be entered in favor of the defendant, Trinity Industries, Inc. Judgment is hereby entered in accordance with the above verdict." (APP. 33) The district court chose to issue a general judgment in favor of Trinity on the jury verdict rather than entering a judgment that the '097 patent was not infringed and not invalid. Given the judgment actually entered by the district court, Trinity had achieved all it could achieve – a judgment "entered in favor of the defendant."

The Federal Circuit's decision dramatically changes the legal question of validity. The Federal Circuit set aside the district court's claim interpretation and adopted

a much broader claim construction. By broadening the claims, the Federal Circuit made it more likely that the '097 patent was invalid. Broader claims have a greater potential to encompass prior art, rendering the patent invalid if they do so. Accordingly, broadening claims makes a greater universe of prior art relevant to the infringement issue. Here, remand is required to allow Trinity to present additional evidence of invalidity under the broadened claim interpretation and obtain a jury verdict of invalidity pursuant to the new claim construction.

Absent the holding of waiver in this case, the Federal Circuit would have remanded the case for the reasons just described. The Federal Circuit has recognized that remand is appropriate when an erroneous claim construction is reversed on appeal. "When the prior art is compared with erroneously interpreted claims, findings of differences between the prior art and the claims will necessarily be clearly erroneous. When the sole error lies in claim interpretation, a remand for comparison of the prior art with properly interpreted claims is *required*." *Panduit Corp. v. Dennison Mfg. Co.*, 810 F.2d 1561, 1576 (Fed. Cir. 1987) (emphasis added). Remand is required because a different universe of prior art becomes relevant when claim interpretation is changed.

Such a remand would not be futile. Under the broadened claim construction adopted by the Federal Circuit, the claims of the '097 patent are invalid under 35 U.S.C. §§ 102 or 103 because they read on the railway car disclosed by the '660 prior art patent, either alone or in combination with other prior art adduced by Trinity at

trial, including a prior art car made by Pullman that was not before the examiner who issued the '097 patent.[3]

This Court's decision in *Byrd v. Blue Ridge Rural Electric Cooperative*, 356 U.S. 525 (1958), is on point. There, as here, the appellate court reversed a legal finding by the district court and directed a judgment for the appellant without remanding to provide the appellee an opportunity to present relevant evidence under the revised legal finding. *Id.* at 530-31. As in this case, a different body of evidence was relevant to the legal issue in *Byrd* after the reversal on appeal altered the relevant legal standard. *Id.* at 531-32. This Court recognized that the

---

[3] Under the district court's claim construction (which was included in the charge to the jury), the railway car disclosed by the '660 prior art patent is distinguishable from the claimed invention of the '097 patent because the '660 prior art patent car, like the Aluminator II, had troughs that were angled relative to the center sill and whose axes were, therefore, not parallel to the axis of the center sill. Indeed, this is precisely the reason why the district court found that the Aluminator II railway car did not infringe.

Under the Federal Circuit's reconstruction of the claims on appeal, however, the '097 patent covers cars with troughs that are inclined relative to the rail, such as the '660 prior art railway car and the Trinity Aluminator II railway car. Because the Federal Circuit broadened the '097 patent's claims, it swept the '660 prior art reference and other prior art into their scope, thus invalidating the claims.

The monumental change in significance of the '660 prior art reference due to the change in claim interpretation illustrates the point made above – a change in claim interpretation makes different evidence relevant on the issue of validity so a remand for a new trial is appropriate when the claim construction changes.

petitioner in *Byrd* was "fully justified . . . in not coming forward with proof of his own at that stage of the proceedings, for he had nothing to meet under the District Court's view of the statute." *Id.* at 533.

Because of the change in claim scope, Trinity was fully justified in not presenting the same case on validity that it would present on remand. Indeed, Trinity could not have presented a different validity case at trial. The district court confirmed by order in limine that it would not allow argument or evidence under any claim construction but its own. *See also Brinley v. Commissioner of Internal Revenue*, 782 F.2d 1326, 1336 (5th Cir. 1986) (remanding for new trial when legal test changed on appeal because justice requires opportunity to present evidence in light of appropriate standard).

Three policies underlying this Court's prior decisions thus become apparent. First, in many cases a conditional cross appeal would be nothing more than a formality – it would prevent a waiver but remand would be required anyway. The fact that remand would have been required on the issue of validity had the Federal Circuit not found waiver illustrates the folly of the waiver finding. Had Trinity filed a conditional cross appeal, the Federal Circuit would not have been able to decide the validity issue because, as just explained, a whole new universe of prior art would have been relevant. "[A] remand . . . is required." *Panduit Corp. v. Dennison Mfg. Co.*, 810 F.2d 1561, 1576 (Fed. Cir. 1987). This Court should not condone a waiver rule that serves no other function than setting up a meaningless procedural hoop through which to jump.

The rule that the Federal Circuit applied in this case would require appellees in Trinity's position to file conditional cross-appeals the essence of which would be the following: "Trinity has no complaint about the jury's finding that the '097 patent was not invalid. There is sufficient evidence to support that finding. The trial court did not err with respect to the admission or exclusion of evidence nor with respect to the charge. Indeed, Trinity can point to no error. Trinity cross-appeals only in the unlikely event that this court reconstrues the claims on appeal in a way that would make a new trial of validity appropriate."

Second, conditional cross appeals put appellees in a hopeless position. The appellee would be forced to anticipate every possible appellate outcome and make arguments in its favor as to each outcome. With page limits decreasing, that would be a monumental task in many appeals. Moreover, an appellee cannot possibly anticipate every possible action that an appellate court might take on appeal. In fact, as Federal Circuit judges have observed, the Federal Circuit sometimes adopts a claim construction on appeal that neither party has suggested. *Exxon v. Lubrizol*, 64 F.3d 1553, 1568-70 (1995) (Nies, J., dissenting). Because an appellee cannot possibly address a potential appellate outcome that neither party argued for, it could not always protect itself with a conditional cross appeal.

Third, requiring conditional cross appeals to avoid waiver "would impose upon appellate courts the burden of additional appeals from favorable decisions prosecuted by litigants attempting to insulate their judgments from actions like that taken here by the Court of Appeals."

Bowen v. United States Postal Service, 459 U.S. 212, 245 (1983) (White, J., Marshall, J., & Blackmun, J., dissenting); *see also United States v. Bohn*, 959 F.2d 389, 393-94 (2d Cir. 1992) (noting burdens on courts and litigants from mandatory conditional cross appeal rule). Besides the burden on appellate courts, appellees would also face additional burden and expense writing conditional cross appeal briefs on issues that most likely will never be addressed. These concerns are likely to be magnified as to some parties, such as the government in criminal cases. *See United States v. Bohn*, 959 F.2d 389, 393 (2d Cir. 1992).

B. The Federal Circuit's Practice Requiring Conditional Cross Appeals Directly Conflicts with Decisions of Other Federal Courts of Appeals.

The federal appellate courts are split over the requirement of a conditional cross appeal, but the vast majority of case law suggests that the Federal Circuit's practice requiring conditional cross-appeals is incorrect. The rule applied by the Federal Circuit requiring that Trinity file a conditional cross appeal is consistent with the decision of the Fourth Circuit in *Bowen v. United States Postal Service*, 642 F.2d 79 (4th Cir. 1981), *rev'd*, 459 U.S. 212 (1983). The views of the Fourth Circuit and Federal Circuit on this issue differ from those of other circuits. In general, "[c]ross appeal . . . is not required to preserve the right to orderly disposition of issues that become relevant only because of reversal." 15A Charles A. Wright, et al., *Federal Practice and Procedure* § 3904, at 203-04 (1992).

Prior to the creation of the Federal Circuit, several federal appellate courts addressed the issue of whether

an accused infringer who prevails on the issue of infringement in the district court must file a cross appeal to preserve the right to allege invalidity in the appellate court. The apparently unanimous view was that an appellee did not have to file a cross appeal to preserve its right to argue validity on appeal.[4] These cases create a direct conflict with the Federal Circuit's requirement of conditional cross appeals.

In other contexts, federal appellate courts have likewise rejected a suggestion that a conditional cross appeal is required to avoid waiving issues that arise only because of reversal by an appellate court. Several circuits have addressed the issue in connection with the important area of criminal sentencing. Criminal defendants have questioned whether the government could, in the absence of a conditional cross appeal, argue for a change in one component of the sentencing decision if the appellate court chooses to change another component of the sentence. *E.g., United States v. Bohn*, 959 F.2d 389, 392 (2d Cir. 1992). Several circuits have held that by failing to file a conditional cross appeal, the government does not waive the right to seek a sentence enhancement after a

---

[4] 5th Circuit: *Mannix Co. v. Healey*, 341 F.2d 1009, 1013 (5th Cir. 1965); *Graham v. Cockshutt Farm Equipment*, 256 F.2d 358, 359 (5th Cir. 1958); *Guiberson Corp. v. Equipment Engineers*, 252 F.2d 431, 432 (5th Cir. 1958); 6th Circuit: *Maytag Co. v. Murray Corp.*, 318 F.2d 79, 80 (6th Cir. 1963); *Bede v. Baker & English, Inc.*, 274 F.2d 833, 835 (6th Cir. 1960); *Merco Norstrom Valve Co. v. W.M. Acker Org.*, 131 F.2d 277 (6th Cir. 1942); 7th Circuit: *Erie Technological Products v. Die Craft Metal Products*, 461 F.2d 5, 6 & 11 (7th Cir. 1972); 9th Circuit: *see M.O.S. Corp. v. John I. Haas Co.*, 375 F.2d 615, 617 (9th Cir. 1967).

partial reversal of the judgment on appeal.[5] Federal appellate courts have also rejected the mandatory conditional cross appeal rule in civil cases.[6] Collectively, these cases employ reasoning similar to that advanced by Trinity above and express the better rule – that conditional cross appeals, while allowed, are not required to avoid waiver of issues that become relevant due to reversal on appeal.

C. Conclusion

Overall, the Federal Circuit's practice of requiring a conditional cross appeal by an appellee to avoid waiver of the patent validity issues is not sound. Prior decisions of this Court suggest that the practice is wrong as do a number of decisions from other appellate courts. Only one other appellate court is in agreement with the Federal Circuit. The Federal Circuit's rule is bad policy. First, in many cases a conditional cross appeal would represent nothing more than satisfaction of a procedural hurdle and do nothing to advance resolution of the case. Second,

---

[5] *United States v. Bohn*, 959 F.2d 389, 393-94 (2d Cir. 1992); *United States v. Fennell*, 77 F.3d 510, 510 (D.C. Cir. 1996); *United States v. Hill*, 42 F.3d 914, 917 n.8 (5th Cir. 1995); *United States v. Milledge*, 109 F.3d 312, 315 (6th Cir. 1997).

[6] *Butler v. First National Bank of Commerce*, 552 F.2d 1112, 1114 (5th Cir. 1977) (rejecting as frivolous suggestion that appellee, by failing to file cross appeal, lost right to pursue claims only relevant due to reversal); *Dalle Tezze v. Director*, 814 F.2d 129, 133 (3rd Cir. 1987) (no cross appeal required to urge remand); *Landsberg v. Scrabble Crossword Game Players, Inc.*, 802 F.2d 1193, 1197 (9th Cir. 1986) (no waiver due to appellee's failure to file cross appeal on alternative theory of recovery).

mandatory conditional cross appeals place appellees in the hopeless position of trying to anticipate every possible action by the appellate court while facing a finding of waiver if they fail in their anticipation. Third, mandatory conditional cross appeals would greatly increase the work load of courts and litigants alike with little or no benefit to appellate practice.

CONCLUSION

For the reasons stated above, the petition should be granted.

Respectfully submitted,

LARRY D. CARLSON
Counsel of Record
DAVID G. WILLE
BAKER & BOTTS, L.L.P.
2001 Ross Avenue
Dallas, Texas 75201-2980
Telephone: (214) 953-6500

Attorneys for Petitioner

NOTE: Pursuant to Fed. Cir. R. 47.6, this disposition is not citable as precedent. It is a public record. The disposition will appear in tables published periodically.

UNITED STATES COURT OF APPEALS FOR THE FEDERAL CIRCUIT

97-1070, -1071

JOHNSTOWN AMERICA CORPORATION and JAC PATENT CORPORATION,

Plaintiffs-Appellants,

v.

TRINITY INDUSTRIES, INC.,

Defendant-Cross-Appellant.

DECIDED: May 28, 1997

Before ARCHER, *Chief Judge*, CLEVENGER, and SCHALL, *Circuit Judges*.

SCHALL, *Circuit Judge*.

DECISION

Johnstown America Corporation and JAC Patent Corporation (collectively "Johnstown") appeal from the decision of the United States District Court for the Western District of Pennsylvania granting partial summary judgment on the issue of literal infringement in favor of Trinity Industries, Inc. ("Trinity"). *Johnstown Am. Corp. v. Trinity Indus. Inc.*, 865 F. Supp. 1159 (W.D. Pa. 1994).

Johnstown also appeals the denial of its motion for judgment as a matter of law (JMOL), and the denial of its motion to set aside the jury verdict (JNOV)[1] and its motion in the alternative for a new trial. *Johnstown Am. Corp. v. Trinity Indus. Inc.*, No. 92-587J (Sept. 13, 1996). Johnstown had requested JMOL and JNOV, or a new trial, on the issue of infringement under the doctrine of equivalents. We *reverse* and *remand*.

DISCUSSION

I.

Johnstown sued Trinity for infringement of United States Patent No. 4,361,097 (the '097 patent). The '097 patent is directed to a gondola car suitable for rotary unloading. The floor of the car that is the subject of the invention contains a pair of concave troughs running the length of the car and separated by a center sill.

Claims 1 and 6 are the only independent claims of the patent. Claim 1 reads as follows:

> A railway car for carrying bulk materials having a pair of side walls and a pair of end walls supported by spaced trucks, the improvement comprising a floor structure having
>
> (a) a center sill extending longitudinally over said trucks,
>
> (b) a pair of concave floor panels between said trucks, each panel forming a longitudinal

---

[1] Pursuant to the 1991 amendments to Rule 50, the former JNOV is now known as a renewed motion for judgment as a matter of law (JMOL).

> curvilinear trough having closed ends, the longitudinal axis of each of said troughs extending parallel to the longitudinal axis of said center sill.

Claim 6 recites:

> A floor for a railway car comprising a center sill and a pair of longitudinal curvilinear troughs having closed ends secured to opposite sides of said center sill with the longitudinal axes of said troughs extending parallel to the longitudinal axis of the center sill.

On September 13, 1993, Trinity moved for summary judgment, arguing that the accused gondola car, the Trinity Aluminator II, did not literally infringe the '097 patent and that Johnstown's doctrine of equivalents claim was barred by prosecution history estoppel. *Johnstown*, 865 F. Supp. at 1160.

On September 2, 1994, the district court granted summary judgment in favor of Trinity on the issue of literal infringement. *Id.* In so doing, the court focused on the question of whether the accused gondola met the limitation of claims 1 and 6 that the longitudinal axes of the troughs be parallel to the longitudinal axis of the center sill.[2] The court construed the claim term "axis" as defining "a line about which a geometrical figure is symmetrical." *Id.* at 1163 (quoting *American Heritage Dictionary of Science* 55 (1986)). The court determined that because the Aluminator II troughs slope up from either end of the car to the middle, a single axis about which each trough is

---

[2] It was undisputed that the other limitations of claims 1 and 6 were met in the Aluminator II.

symmetrical cannot be drawn. *Id.* The court thus adopted Dr. Glenn Sinclair's[3] interpretation that each trough of the Aluminator II has two axes, each of which slopes up at the angle of inclination of the troughs. *Id.* Accordingly, the court found that the Trinity Aluminator II does not literally infringe because the longitudinal axes of its troughs do not extend parallel to the longitudinal axis of its center sill. *Id.* at 1163-64.

Addressing the issue of infringement under the doctrine of equivalents, the district court concluded that prosecution history estoppel did not bar the application of the doctrine. *Id.* at 1165-66. The court reasoned that although the term "longitudinal axis" was added during prosecution, the parallelism requirement existed before the claims were amended. *Id.* The court opined that the amendment was not made to overcome prior art, as Trinity contended,[4] but rather to "simplify and clarify the parallelism requirement." *Id.* at 1165.

Because the court did not resolve the doctrine of equivalents issue on motion for summary judgment, a trial on the merits ensued. During the trial there were a number of objections to the admissibility of evidence. Requests by both parties for JMOL were denied. The

---

[3] At the time he executed his affidavit, Dr. Sinclair was a professor of mechanical engineering at Carnegie Mellon University. *Id.* at 1163.

[4] Trinity argued that the limitation that the longitudinal axes of the troughs extend parallel to the longitudinal axis of the center sill was added to overcome a 35 U.S.C. § 102 rejection based on United States Patent No. 1,412,660 (the Kuehner patent). *Id.* at 1164-65.

court instructed the jury, with objections by both parties, on the issue of infringement under the doctrine of equivalents. On August 15, 1996, the jury returned a verdict of noninfringement under the doctrine of equivalents. Johnstown filed a JNOV motion and in the alternative a motion for a new trial. On September 13, 1996, the court denied the motions. This appeal followed.

II.

Determining whether a patent is infringed entails a two-step analysis. "First, the claim must be properly construed to determine its scope and meaning. Second, the claim as properly construed must be compared to the accused device or process." *Carroll Touch, Inc. v. Electro Mechanical Sys.*, 15 F.3d 1573, 1576, 27 USPQ2d 1836, 1839 (Fed. Cir. 1993). Claim construction is an issue of law, which we review de novo. *Markman v. Westview Instr., Inc.*, 52 F.3d 967, 979, 34 USPQ2d 1321, 1329 (Fed. Cir. 1995) (in banc), *aff'd*, 116 S. Ct. 1384 (1996). Comparing the properly construed claims to the accused device or process presents a question of fact. *In re Hayes Microcomputer Prods., Inc.*, 982 F.2d 1527, 1541, 25 USPQ2d 1241, 1251 (Fed. Cir. 1992).

In this case, the district court decided the issue of literal infringement on motion for summary judgment. Summary judgment is appropriate when "there is no genuine issue as to any material fact and . . . the moving party is entitled to a judgment as a matter of law." Fed. R. Civ. P. 56(c). We review the district court's grant of summary judgment de novo to determine whether the summary judgment standard was properly applied. *Lantech*

Inc. v. Keip Mach. Co., 32 F.3d 542, 545, 31 USPQ2d 1666, 1669 (Fed. Cir. 1994). Because there are no material facts in dispute, the issue before us is one of law: the correct construction of the "longitudinal axis" limitation of claims 1 and 6.

As already seen, claims 1 and 6 recite the limitation that the longitudinal axes of the troughs extend parallel to the longitudinal axis of the center sill. Neither the specification nor the prosecution history sheds light on the term "longitudinal axis." Recognizing this, the district court adopted what it perceived to be the common definition of the term "axis." We agree that if a patentee does not define a term in the specification or prosecution history, it is proper for the trial court to ascribe to the term its common meaning. *See Environtech Corp. v. Al George, Inc.*, 730 F.2d 753, 759, 221 USPQ 473, 477 (Fed. Cir. 1984) ("Words in a claim 'will be given their ordinary and accustomed meaning, unless it appears that the inventor used them differently.' " (citation omitted)). We conclude, however, that the district court erred in adopting a definition for "axis" that corresponds to the definition of "axis of symmetry" as opposed to the definition of "longitudinal axis." Whereas the district court's definition implicitly requires that the body through which the axis penetrates be symmetrical, the dictionary definition of "longitudinal axis" conveys no such requirement. Instead, the definition, which defines "longitudinal axis" as "[a]n axis along the lengthwise direction of the figure or body, usually passing through its center of gravity," only requires an ascertainable lengthwise direction in which the longitudinal axis can be drawn. Cyril M.

Harris, *Dictionary of Architecture & Construction* 500 (2d ed. 1993).

Therefore, reading the claim in light of the common meaning for the term "longitudinal axis," we conclude that if a lengthwise direction can be ascertained for a given trough, then a single longitudinal axis can be drawn. If a longitudinal axis can be drawn for each trough, such that the longitudinal axis of each trough is parallel to the longitudinal axis of the center sill, then the parallelism limitation of claims 1 and 6 is satisfied.

Turning to the second part of the infringement analysis, we hold that the parallelism limitation recited in claims 1 and 6 reads on the Aluminator II. The fact that the bottom of each of the troughs is sloped does not affect our ability to draw a single longitudinal axis from one end of each trough to its other end. Because the lengthwise direction of each trough in the Aluminator II is parallel to the lengthwise direction of the center sill, the longitudinal axes are necessarily parallel. Trinity does not dispute the fact that the Aluminator II contains all limitations absent the parallelism limitation. Therefore, we hold claims 1 and 6 literally infringed.

Our holding of literal infringement moots Johnstown's claim that the district court improperly denied its JMOL and JNOV motions, as well as its motion for a new trial, all of which were related to the issue of infringement under the doctrine of equivalents. *See Transmatic, Inc. v. Gulton Indus. Inc.*, 53 F.3d 1270, 1275, 35 USPQ2d 1035, 1039 (Fed. Cir. 1995) (reversing the district court's

finding of no literal infringement and consequently vacating "as moot that part of the court's decision relating to infringement under the doctrine of equivalents").

For the foregoing reasons, we reverse the judgment of noninfringement and remand the case to the district court for a determination as to damages and for consideration of Johnstown's argument that Trinity's infringement was willful.

Each party shall bear its own costs.

JOHNSTOWN AMERICA CORPORATION, Plaintiff,

v.

TRINITY INDUSTRIES, INC., Defendant.

Civ. A. No. 92-587J.

United States District Court,
W.D. Pennsylvania.

Sept. 2, 1994.

Holder of patent describing gondola-style, top-dumping railway car brought infringement action against competitor. On competitor's motion for summary judgment, the District Court, D. Brooks Smith, J., held that: (1) patent was not literally infringed, but (2) prosecution history estoppel did not bar patentee from claiming infringement under doctrine of equivalents.

Motion granted in part and denied in part.

Raymond G. Hasley, Rose, Schmidt, Hasley & DiSalle, P.C., Pittsburgh, PA, for plaintiff.

Larry D. Carlson, Robert H. Johnston III, Baker & Botts, L.L.P., Dallas, TX, Frederick N. Egler, Egler, Garrett & Egler, Pittsburgh, PA, for defendant.

OPINION

D. BROOKS SMITH, District Judge.

Seeking injunctive relief and damages, Johnstown America Corporation ("Johnstown") has sued Trinity Industries, Inc. ("Trinity") for patent infringement. Johnstown claims that Trinity's Aluminator II railway car

infringes one or more of the claims of Johnstown's United States Patent No. 4,361,097 (the " '097 patent"), either literally or under the doctrine of equivalents. By counterclaim, Trinity seeks a declaratory judgment that the Aluminator II does not infringe any claim of the '097 patent. Trinity has filed a motion for summary judgment, arguing that no literal infringement exists as a matter of law and that Johnstown's claim under the doctrine of equivalents is barred by prosecution history estoppel.

I will grant Trinity's motion in part, because I agree that the Aluminator II does not literally infringe the '097 patent. I conclude, however, that prosecution history estoppel does not apply in this case. Accordingly, Johnstown may pursue its infringement claim under the doctrine of equivalents.

I. FACTS

Johnstown's '097 patent, obtained in 1982, describes a gondola-style, top-dumping railway car commonly used to transport bulk materials, such as coal and gravel.[1] U.S. Patent No. 4,361,097, Docket No. 43, Exh. A, col. 1, lines 5-7. Johnstown's invention improved upon previous railway cars, which were designed as rectangular boxes with either flat bottoms or depressed centers. *Id.*, col. 1, lines 11-19. The '097 patent improved a car's carrying capacity and lowered its center of gravity by "eliminating the

---

[1] For simplicity I will refer to "Johnstown's" prosecution of the '097 patent. In fact, the '097 patent was originally assigned to Bethlehem Steel Corporation and only later assigned to Johnstown. Kurtz depo., Docket No. 49, Exh. H, at 44.

hopper chutes, door frames, etc., from a conventional high side hopper car and substituting therefor a pair of concave troughs between the center sill and sides of the car." *Id.*, col. 1, lines 40-43. Claims 1 and 6 of the '097 patent require that the "longitudinal axis" of each trough be parallel to the "longitudinal axis" of the center sill. *Id.*, col. 3, lines 5-7; *id.*, col. 4, lines 8-9. Diagrams of the '097 patent are attached hereto as Exhibit A.

Trinity built the Aluminator II under a patent it obtained in 1993. U.S. Patent No. 5,178,084, Docket No. 43, Exh. D. Like the '097 patent, the Aluminator II is a gondola-style, top-dumping railway car with concave troughs on either side of the center sill. The troughs on the Aluminator II, however, are not parallel to the center sill. Instead, each trough slopes up from the ends of the car, where the trough is deeper, rising toward the middle, where it forms an angle of approximately 3°. Beck affidavit, Docket No. 41, ¶ 23. Diagrams of the Aluminator II are attached hereto as Exhibit B. Trinity's patent states that the sloping troughs are an improvement over the '097 patent:

> This invention provides an improved gondola car of the rotary dump type that includes a pair of troughs that extend between the trucks supporting the railway car and are disposed along each side of a center sill that extends the full length of the car. The troughs of the car of this invention, contrary to those illustrated in the '097 patent are deeper adjacent to the trucks than at the latitudinal center line of the car. The ability to make the troughs deeper near the trucks provides a greater capacity car having a lower center of gravity or, on the other hand,

> provides a car having the same capacity with a lower overall height to reduce the drag effect from the wind as the car is being pulled along the tracks.

U.S. Patent No. 5,178,074, Docket No. 43, Exh. D, col. 1, lines 28-40.

Johnstown's claim for literal infringement turns on whether the longitudinal axes of the "bent" troughs on the Aluminator II are parallel to the longitudinal axis of the car's center sill, as required by claims 1 and 6 of the '097 patent. If the axes are not parallel, then Trinity has not literally infringed the '097 patent. While the parties seem to agree on the meaning of "longitudinal axis" of a center sill, they disagree over the meaning of "longitudinal axis" of a trough, as that term is found in the '097 patent. Further, the parties agree that the prosecution history of the '097 patent provides insight into the meaning of the disputed term; they disagree, however, on the nature of that insight.

Prosecution History of the '097 Patent

The '097 patent contains nine claims. In Johnstown's original application, claims 1 and 6 read as follows:

> 1. A railway car for carrying bulk material having a pair of side walls and a pair of end walls supported by spaced trucks, the improvement comprising a floor structure having
>
> (a) a center sill extending longitudinally over said trucks,
>
> (b) a pair of concave floor panels, each panel extending parallel to said center sill and

between one side of said center sill and one of said side walls.

6. A floor for a railway car comprising a center sill and a pair of concave floor panels secured to opposite sides of and extending parallel to said center sill.

Patent application dated June 17, 1977, Docket No. 43, Exh. B, at 7-8.

In a decision mailed April 21, 1978, the federal Patent and Trademark Office rejected all nine claims. Decision by Examiner Howard Beltran, Docket No. 43, Exh. B, at 1. Although the examiner did not state explicitly his reason for rejecting claims 1 and 6, he provided an explanatory citation to 35 U.S.C. § 102 and United States Patent No. 1,412,660, registered in 1922 by Arthur T. Kuehner (the "Kuehner patent"). *Id.* at 2. Trinity contends, and Johnstown does not disagree, that a patent examiner must reject an application under 35 U.S.C. § 102 when he or she determines that the claimed invention is "anticipated by a single piece of prior art" – i.e., when the prior art contains every element of the claimed invention. Beck affidavit, Docket No. 41, at ¶ 12. Thus, we know that the examiner rejected the original language of claims 1 and 6 because he determined that the Kuehner patent contained every element of those claims. *See id.* ¶ 17. Diagrams of the Kuehner patent are attached hereto as Exhibit C.

After its original patent application was rejected, Johnstown, through its agent, John Iverson, sent a responsive letter to the Commissioner of Patents and Trademarks. Iverson's letter proposed to amend claims 1

and 6 to overcome the examiner's decision of unpatentability by "better defin[ing]" Johnstown's invention. Letter dated July 13, 1978 from John Iverson to Commissioner of Patents and Trademarks, Docket No. 43, Exh. B, at 2. Iverson explained that Johnstown's invention, a railway car meant to be inverted and top-dumped, was completely different from the Kuehner car, a bottom dumper. Although both inventions used troughs, those on the Kuehner car ended in doors meant to be opened to discharge cargo beneath the car. The troughs on Johnstown's car, on the other hand, had closed ends; their purpose was not to facilitate dumping but to increase carrying capacity and lower the car's center of gravity. *Id.* Iverson proposed to amend claims 1 and 6 as follows:

> 1. A railway car for carrying bulk material having a pair of side walls and a pair of end walls supported by spaced trucks, the improvement comprising a floor structure having
>
> (a) a center sill extending longitudinally over said trucks,
>
> (b) a pair of concave floor panels, each panel ~~extending parallel to said center sill and between one side of said center sill and one of said side walls forming a longitudinal closed end curvilinear trough extending parallel to and along one side of said center sill.~~
>
> 6. A floor for a railway car comprising a center sill and a pair of ~~concave floor panels longitudinal closed end curvilinear troughs~~ secured to opposite sides of and extending parallel to said center sill.

Id. at 1.

Iverson's letter reveals that the reason behind these proposed amendments was to clarify that the ends of the troughs on the Johnstown invention were closed, in contrast to the openable troughs on the Kuehner car.[2] Iverson's proposed amendments in no way affected the requirement that the troughs of the car be parallel to the center sill. The parallelism requirement distinguished Johnstown's car from the Kuehner patent, which claimed "[downwardly] inclined trough shaped chute[s] extending longitudinally of the car." U.S. Patent No. 1,412,660, Docket No. 43, Exh. C, at 3, lines 23-24. The next item in the file history is a letter dated September 25, 1978 from Patent Examiner Francis Husar, noting that "[t]he following changes have been made after a telephone conference with applicant's attorney Mr. John I. Iverson on September 20, 1978 [which changes] further define the structural relationships." Husar's letter notes the following amendments to claims 1 and 6:

> 1. A railway car for carrying bulk material having a pair of side walls and a pair of end walls supported by spaced trucks, the improvement comprising a floor structure having
>
> (a) a center sill extending longitudinally over said trucks,
>
> (b) a pair of concave floor panels ~~between said trucks~~, each panel forming a longitudinal ~~closed end~~ curvilinear trough ~~having closed~~

---

[2] Additionally, Iverson recommended using the word "curvilinear" to broaden independent claims 1 and 6 to encompass troughs shaped other than as circles. (The word "circular" appears in dependent claims 4, 7, and 8.) Iverson affidavit, Docket No. 46, ¶ 14.

~~ends, the longitudinal axis of each of said troughs~~ extending parallel ~~to and along one side of said center sill to the longitudinal axis of said center sill~~.

6. A floor for a railway car comprising a center sill and a pair of longitudinal ~~closed end curvilinear troughs secured to opposite sides of and extending parallel to said center sill curvilinear troughs having closed ends secured to opposite sides of said center sill with the longitudinal axes of said troughs extending parallel to the longitudinal axis of said center sill~~.

Letter dated Sept. 25, 1978 to Joseph O'Keefe from Francis Husar, Docket No. 43, Exh. B, at 1-2. The parties disagree over the meaning of this amendment, which added the nettlesome term "longitudinal axis."

II. DISCUSSION

Entry of summary judgment is proper " 'if the pleadings, depositions, answers to interrogatories, and admissions on file, together with the affidavits, if any, show that there is no genuine issue of material fact and that the moving party is entitled to a judgment as a matter of law.' " *Anderson v. Liberty Lobby, Inc.*, 477 U.S. 242, 247, 106 S.Ct. 2505, 2510, 91 L.Ed.2d 202 (1986) (quoting Fed.R.Civ.P. 56(c)). "[T]he mere existence of *some* alleged factual dispute between the parties will not defeat an otherwise properly supported motion for summary judgment; the requirement is that there be no *genuine* issue of *material* fact." *Id.* at 247-48, 106 S.Ct. at 2510. An issue of fact is "genuine" if the evidence is such that a reasonable jury might return a verdict for the non-moving party. *Id.*

at 257, 106 S.Ct. at 2515; *Equimark Commercial Fin. Co. v. C.I.T. Fin. Servs. Corp.*, 812 F.2d 141, 144 (3d Cir.1987).

Once the moving party has satisfied its burden of identifying evidence that demonstrates the absence of a genuine issue of material fact, the non-moving party is required to go beyond the pleadings by way of affidavits, depositions, and answers to interrogatories to identify specific material facts giving rise to a genuine issue. *Celotex Corp. v. Catrett*, 477 U.S. 317, 324, 106 S.Ct. 2548, 2553, 91 L.Ed.2d 265 (1986). When Rule 56(e) shifts the burden of proof to the non-moving party, it must produce evidence to show the existence of every essential element which it must prove at trial. *Equimark*, 812 F.2d at 144.

A. *The Literal Infringement Claim*

Literal infringement requires that the accused device embody every element of the patentee's claim. *Townsend Eng'g Co. v. Hitec Co.*, 829 F.2d 1086, 1090 (Fed.Cir.1987). Trinity maintains that the Aluminator II does not literally infringe claims 1 or 6 of the '097 patent because the longitudinal axes of the troughs on the Aluminator II are not parallel to the longitudinal axis of the car's center sill. Johnstown disagrees, contending that the axes are indeed parallel.

This dispute boils down to the correct definition of "longitudinal axis" of a trough. Both parties have submitted affidavits by engineering experts. Trinity has submitted the affidavit of Dr. Glenn Sinclair, a professor of mechanical engineering at Carnegie Mellon University. Johnstown has submitted the affidavit of Dr. James Romualdi, a professor of civil engineering at Carnegie

Mellon and president of Romualdi, Davidson and Associates, Inc., an engineering consulting firm.

Dr. Sinclair defines the longitudinal axis of a trough as "the straight line running lengthwise through the centers of the vertical cross sections at the ends of the trough. The center of the vertical cross section at the end of a trough may be taken as either the centroid of the cross section, or the center of gravity." Sinclair affidavit, Docket No. 40, ¶ 10. Dr. Sinclair states that the longitudinal axis of a trough in the Aluminator II is in fact *two* axes, each of which slopes up (with the trough) from one end of the car to the middle. Because these two axes slope, they are not parallel to the horizontal axis of the center sill. *Id.* at ¶¶ 9, 17, 23; supplemental Sinclair affidavit, Docket No. 54, ¶ 11.

Dr. Romualdi neither disagrees with Dr. Sinclair's definition nor provides his own. Indeed, he cites Dr. Sinclair's definition with apparent approval. *See* Romualdi affidavit, Docket No. 47, ¶¶ 13, 14, 17, 20, 22. When Dr. Romualdi applies that definition to the troughs in the Aluminator II, however, he reaches a conclusion different from Dr. Sinclair's. Dr. Romualdi maintains that "the straight line running lengthwise through the centers of the vertical cross sections at the ends of the trough" is exactly that: a straight line running from the center of one end of the trough to the center of the other end, no matter how many bends or twists or turns the trough might take. Because a trough in the Aluminator II starts and ends at the same height above the center sill, Dr. Romualdi's interpretation of the longitudinal axis of each trough is a horizontal line. Accordingly, it is parallel to the horizontal longitudinal axis of the center sill. *Id.* ¶¶ 17, 22.

I conclude that Dr. Sinclair's definition and interpretation of "longitudinal axis" of a trough are correct. I base my determination on the geometrical definition of "axis": "a line about which a geometrical figure is symmetrical." *American Heritage Dictionary of Science* 55 (1986), copy attached as Exh. D to Sinclair affidavit, Docket No. 40. In the Aluminator II, the line about which each trough is symmetrical cannot be, as a matter of geometry, a horizontal line from one end of the trough to the other. That would be the case only for a horizontal trough, as in the '097 patent. Once one bends the trough, as in the Aluminator II, the trough becomes symmetrical about *two* lines, each of which slopes up (with the trough) from either end of the car to the middle. Determining a longitudinal axis in a solid figure which is, as Dr. Sinclair states, "geometrically continuous," such as a cylinder or a cone, is different from determining a longitudinal axis in a geometrically discontinuous figure, such as a "bent" cylinder or a cone.[3] "[T]he method of locating a longitudinal axis must be applied to *each of the parts of the floor structure* in the Aluminator II car that are separated by the geometric discontinuity." Supplemental Sinclair affidavit, Docket No. 54, at ¶ 11 (emphasis added).[4]

---

[3] Geometric discontinuity, not the number of troughs, is the reason why each trough on the Aluminator II has two longitudinal axes. Thus, whether the Aluminator II technically has two troughs, as Johnstown contends, or four troughs, as Trinity contends, is immaterial.

[4] In addition to Dr. Romualdi's affidavit, Johnstown has submitted portions of the depositions of two of the three inventors of the '097 patent, Robert Dorian and Richard Jones, who testified that they define "longitudinal axis" of a trough as the line one sees when one looks at a trough from the top of the

My conclusion is based on geometry. It does not derive from a credibility determination made after comparing the curricula vitae of the two experts. Indeed, both parties' experts present impressive credentials. Because the experts disagree, one might mistakenly conclude that the question of which party has correctly defined "longitudinal axis" of a trough is a question of fact to be determined by a jury after hearing testimony from both sides' experts. Claim interpretation is, however, a question of law. *See, e.g., Texas Instrs., Inc. v. United States Int'l Trade Comm'n*, 988 F.2d 1165, 1171 (Fed.Cir.1993). Claim interpretation includes determining the meaning of a term in a claim. Even when such a determination requires

---

car, rather than from the side. Dorian depo., Docket No. 49, Exh. J, at 46; Jones depo., Docket No. 49, Exh. I, at 93.

I find no merit to Johnstown's alternative definition. To begin with, Johnstown supports its "top-view" definition not with any scientific proof but with the self-serving statements of the inventors of the '097 patent. "[L]itigation-induced pronouncements of [an] inventor . . . have no effect on what the words of that document in fact do convey and have conveyed during its term to the public." *Lear Siegler, Inc. v. Aeroquip Corp.*, 733 F.2d 881, 889 (Fed.Cir.1984); *accord Senmed, Inc. v. Richard-Allan Med. Indus.*, 888 F.2d 815, 819 n. 8 (Fed.Cir.1989). Furthermore, neither Dorian nor Jones has any special insight into the meaning of the term "longitudinal axis" because that term was not in the original application and neither Dorian nor Jones suggested that the application be amended with that language. Indeed, both men testified that they did not know why the term "longitudinal axis" was added. Dorian depo., Docket No. 54, at 36; Jones depo., Docket No. 54, at 66, 69. Finally, such a definition is illogical; it completely ignores the fact that an "axis" is "a line about which a geometrical figure is symmetrical." *American Heritage Dictionary of Science* 55 (1986), copy attached as Exh. D to Sinclair affidavit, Docket No. 40.

the consideration of extrinsic evidence, such as conflicting expert testimony, it remains a question of law. *See, e.g., id.; Hormone Research Found. v. Genentech, Inc.*, 904 F.2d 1558, 1562, 1563 n. 7 (Fed.Cir.1990), *cert. dismissed*, 499 U.S. 955, 111 S.Ct. 1434, 113 L.Ed.2d 485 (1991); *Johnston v. IVAC Corp.*, 885 F.2d 1574, 1579-80 (Fed.Cir.1989); *Tandon Corp. v. United States Int'l Trade Comm'n*, 831 F.2d 1017, 1021 (Fed.Cir.1987) (citing *H.H. Robertson Co. v. United Steel Deck, Inc.*, 820 F.2d 384, 389 (Fed.Cir.1987); *SRI Int'l v. Matsushita Elec. Corp.*, 775 F.2d 1107, 1117 n. 11, 1118 (Fed.Cir.1985)). Accordingly, what is the correct definition of "longitudinal axis" is a question of law, and it is within the province of this Court to resolve the issue on summary judgment. *See, e.g., Johnston*, 885 F.2d at 1580 (when the patentee's claims do not read on the accused device exactly, a finding of no literal infringement on summary judgment is proper).

B. *The Infringement Claim Under the Doctrine of Equivalents*

Johnstown asserts that even if the Trinity patent does not literally infringe claims 1 or 6 of the '097 patent, it infringes those claims under the doctrine of equivalents. Under that doctrine, Trinity is liable for infringement if the Aluminator II performs "substantially the same function in substantially the same way to achieve substantially the same result" as the '097 patent. *Malta v. Schulmerich Carillons, Inc.*, 952 F.2d 1320, 1325 (Fed.Cir.1991), *cert. denied*, ___ U.S. ___, 112 S.Ct. 2942, 119 L.Ed.2d 566 (1992). Whether the two are equivalents is a question of fact. *Id.*

Although Trinity acknowledges that equivalency cannot be determined on summary judgment because it is a question of fact, it argues that Johnstown is estopped from pursuing its equivalency claim under the rule known as prosecution history estoppel or "file wrapper estoppel." Prosecution history estoppel "bars a patentee from enforcing its claims against otherwise legally equivalent structures if those structures were excluded by claim limitations added in order to avoid prior art." *Vaupel Textilmaschinen KG v. Meccanica Euro Italia S.P.A.*, 944 F.2d 870, 882 (Fed.Cir.1991) (quotation omitted). Conversely, prosecution history estoppel does not apply when claim language is amended for some reason other than to avoid prior art. Therefore, "[i]n determining whether prosecution history estoppel applies because of a change in claim language during prosecution, the court must consider not only what was changed, but the *reason* for such change." *Id.* As the Federal Circuit has explained,

> Amendment of claims is a common practice in prosecution of patent applications. No reason or warrant exists for limiting application of the doctrine of equivalents to those comparatively few claims allowed exactly as originally filed and never amended. Amendments may be of different types and may serve different functions. Depending on the nature and purpose of an amendment, it may have a limiting effect within a spectrum ranging from great to small to zero.

Hughes Aircraft Co. v. United States, 717 F.2d 1351, 1363 (Fed.Cir.1983).

Whether prosecution history estoppel applies is a question of law. *Hoganas AB v. Dresser Indus.*, 9 F.3d 948, 952 (Fed.Cir.1993). Trinity maintains that prosecution estoppel applies here because Johnstown, in prosecuting its application for the '097 patent, specifically amended the language of claims 1 and 6 to limit those claims to railway cars with troughs whose longitudinal axes are parallel to the longitudinal axis of the center sill.

I am unpersuaded. Although the term "longitudinal axis" was added by amendment, the parallelism requirement was not; claims 1 and 6 in Johnstown's original application described "a pair of concave floor panels, each panel extending parallel to said center sill." Because the parallelism requirement existed even before the claims language was amended, it is beyond dispute that the purpose of amending claims 1 and 6 by adding the term "longitudinal axis" was not to impose parallelism as a "new" limitation on Johnstown's invention.

The parallelism requirement of the Johnstown invention always distinguished it from the Kuehner patent, even before the term "longitudinal axis" was added. Although Trinity correctly notes that the patent examiner rejected Johnstown's application because he determined that the Kuehner patent contained every element of Johnstown's invention, I am not bound by the examiner's decision on that point – particularly as his decision clashes with the language in Johnstown's application. *See, e.g., In re Baxter Travenol Labs*, 952 F.2d 388, 390 (Fed.Cir.1991) (anticipation under 35 U.S.C. § 102 is a question of fact, and a court will reverse a finding of anticipation if clearly erroneous); *see also Axia Inc. v. Jarke Corp.*, 12 U.S.P.Q.2d 1049, 1053, 1989 WL 39722

(N.D.Ill.1989) ("There is . . . support for not applying prosecution history estoppel where a claim is amended in response to an examiner's incorrect rejection.") (citing *Great Northern Corp. v. Davis Core & Pad Co.*, 782 F.2d 159, 166 (Fed.Cir.1986)). It cannot be said that the Kuehner patent, which claimed "[downwardly] inclined trough shaped chute[s] extending longitudinally of the car," anticipated Johnstown's invention, which uses "a pair of concave floor panels, each panel extending parallel to said center sill." Inclined troughs cannot be parallel to a center sill because a sill is, by definition, horizontal. *See Webster's New World Dictionary* 1249 (3d college ed. 1988).

If the purpose of adding the words "longitudinal axis" to claims 1 and 6 was not to distinguish Johnstown's invention from the Kuehner patent, what, then, was its purpose? The only reasonable explanation is that it provided a technical refinement in terminology. The original patent application required that the troughs be parallel to the center sill, whereas the issued patent requires that the longitudinal axes of the troughs be parallel to the longitudinal axis of the sill. The only effect of this change is to specify the two *lines* – rather than the two parts of the car – which must be parallel. It appears that this change was made to simplify and clarify the parallelism requirement. One could anticipate disputes arising under the original language over what *part* of the trough and what *part* of the sill one measures from when determining whether they are parallel. Under the amended language, such disputes are less likely to arise.

Prosecution history estoppel applies where a claim is amended to add a new limitation over prior art, not where, as here, a claim is amended to describe an existing

limitation with more technically precise language. *See, e.g., Andrew Corp. v. Gabriel Elec., Inc.*, 847 F.2d 819, 825 (Fed.Cir.) (prosecution history estoppel did not apply where claim language was amended "for the purposes of explication and clarity"), *cert. denied*, 488 U.S. 927, 109 S.Ct. 312, 102 L.Ed.2d 330 (1988). As no bar exists to Johnstown's infringement claim under the doctrine of equivalents, Johnstown may pursue that claim at trial.

An appropriate order follows.

ORDER

AND NOW, this 2nd day of September, 1994, consistent with the foregoing opinion, defendant's motion for summary judgment (Docket No. 38) is granted in part. It is hereby ORDERED that defendant's motion is GRANTED as to plaintiff's claim for literal infringement, but DENIED as to plaintiff's claim for infringement under the doctrine of equivalents.

This case will be listed on the November 1994 trial term for Johnstown.

EXHIBIT A

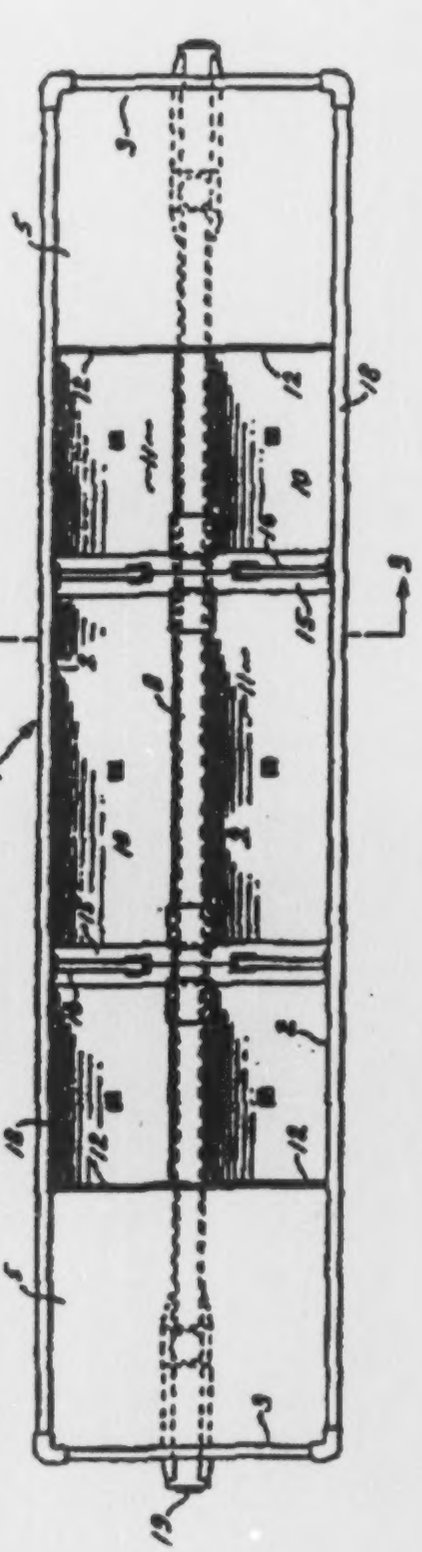


FIG. 2

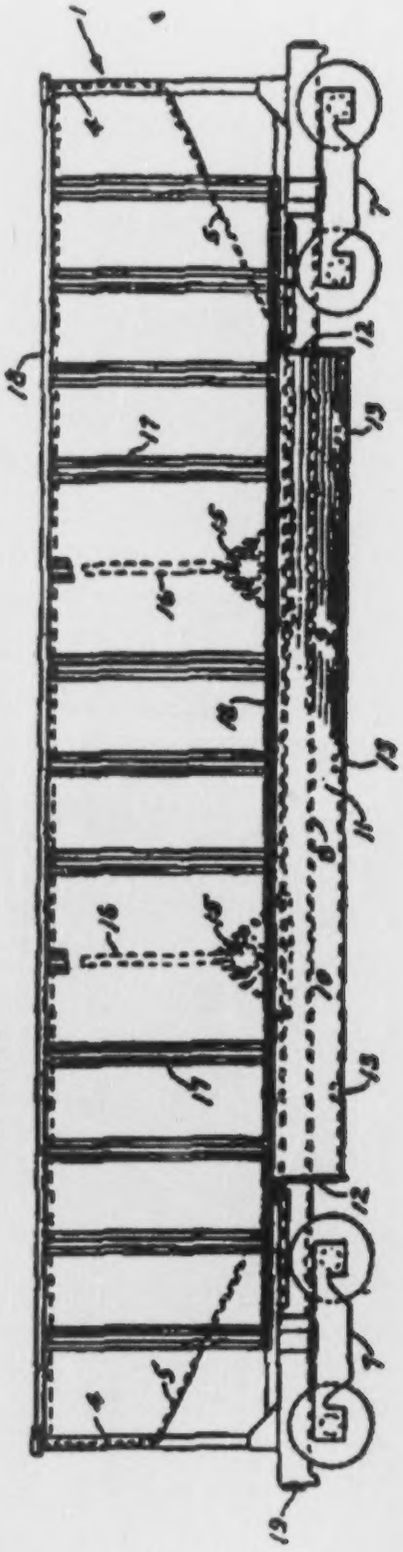


FIG. 1

BEST AVAILABLE COPY

EXHIBIT A—Continued

FIG. 3

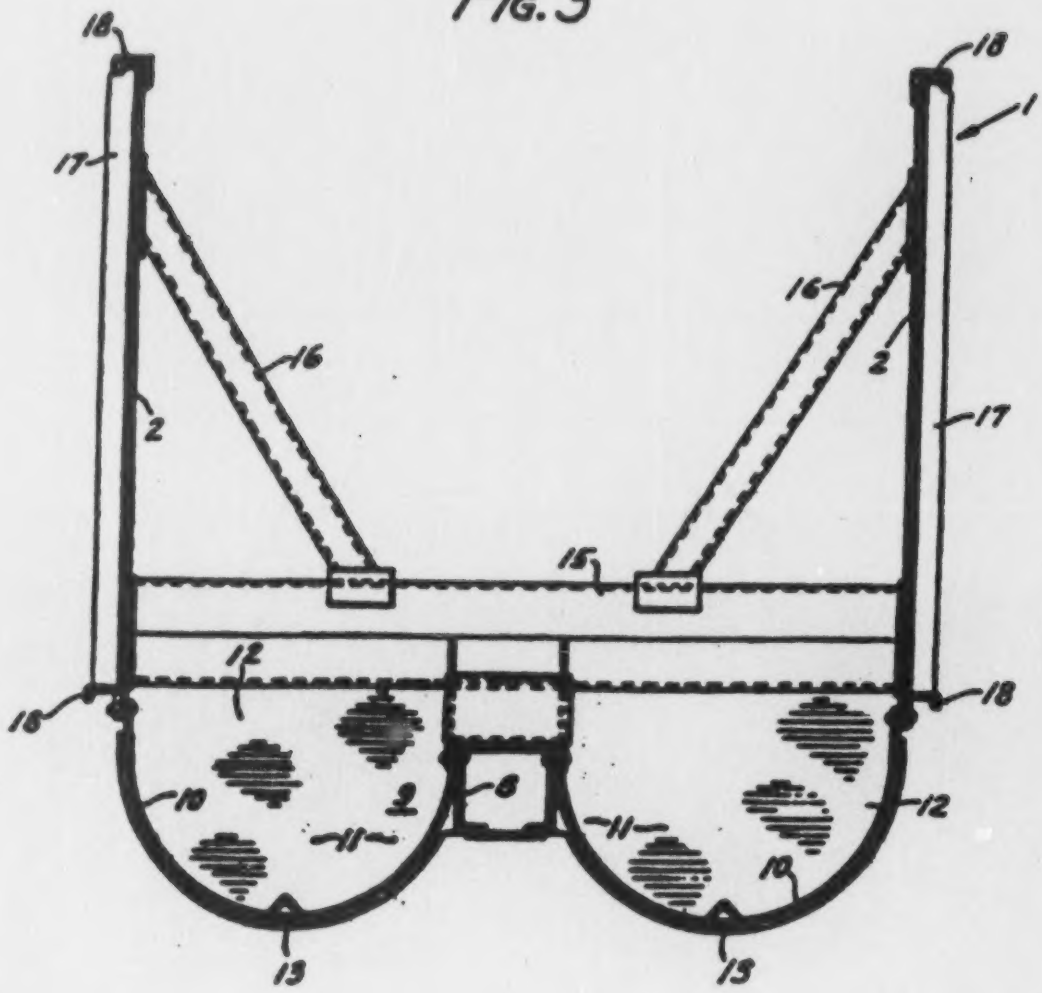


EXHIBIT B

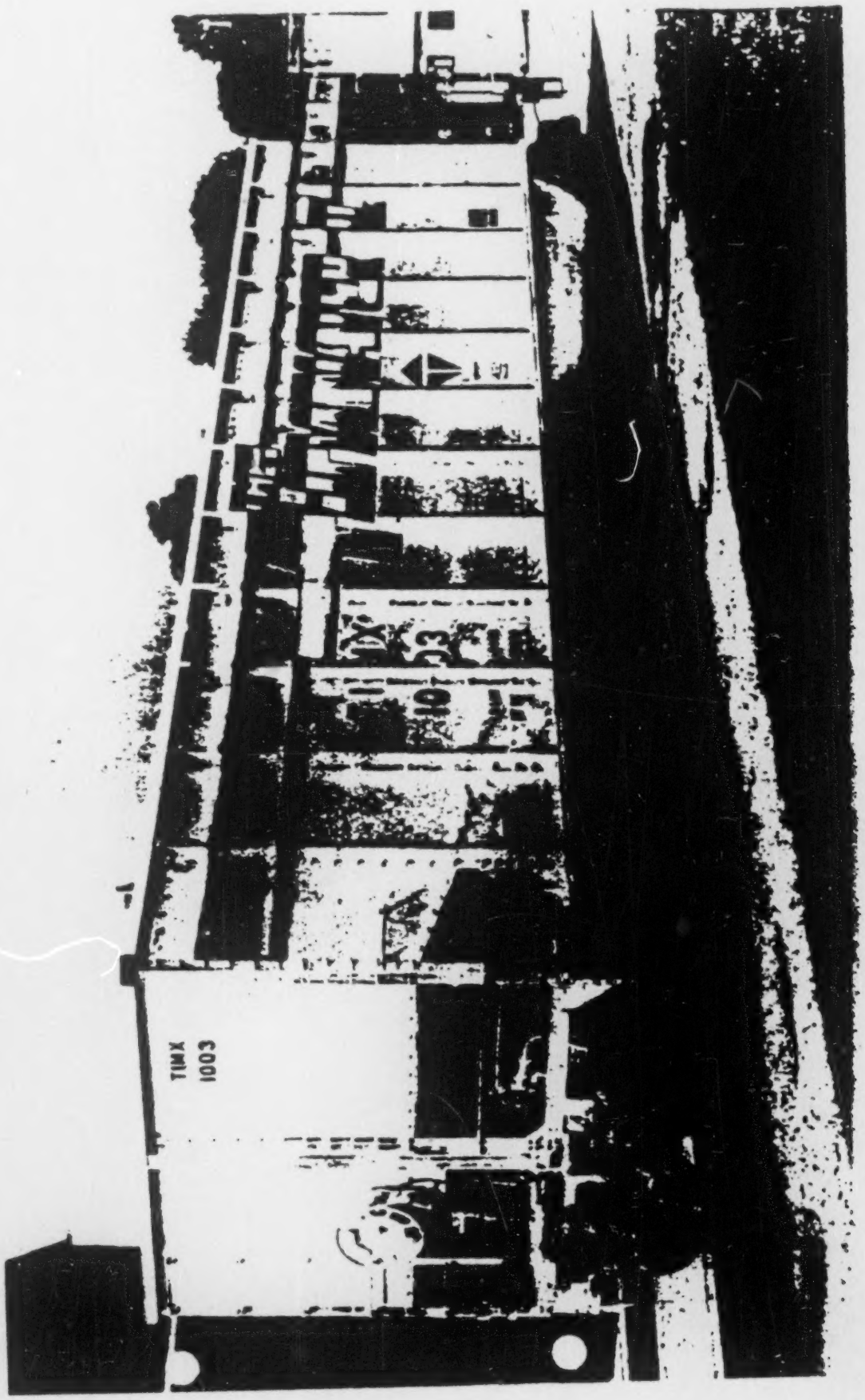


EXHIBIT B—Continued

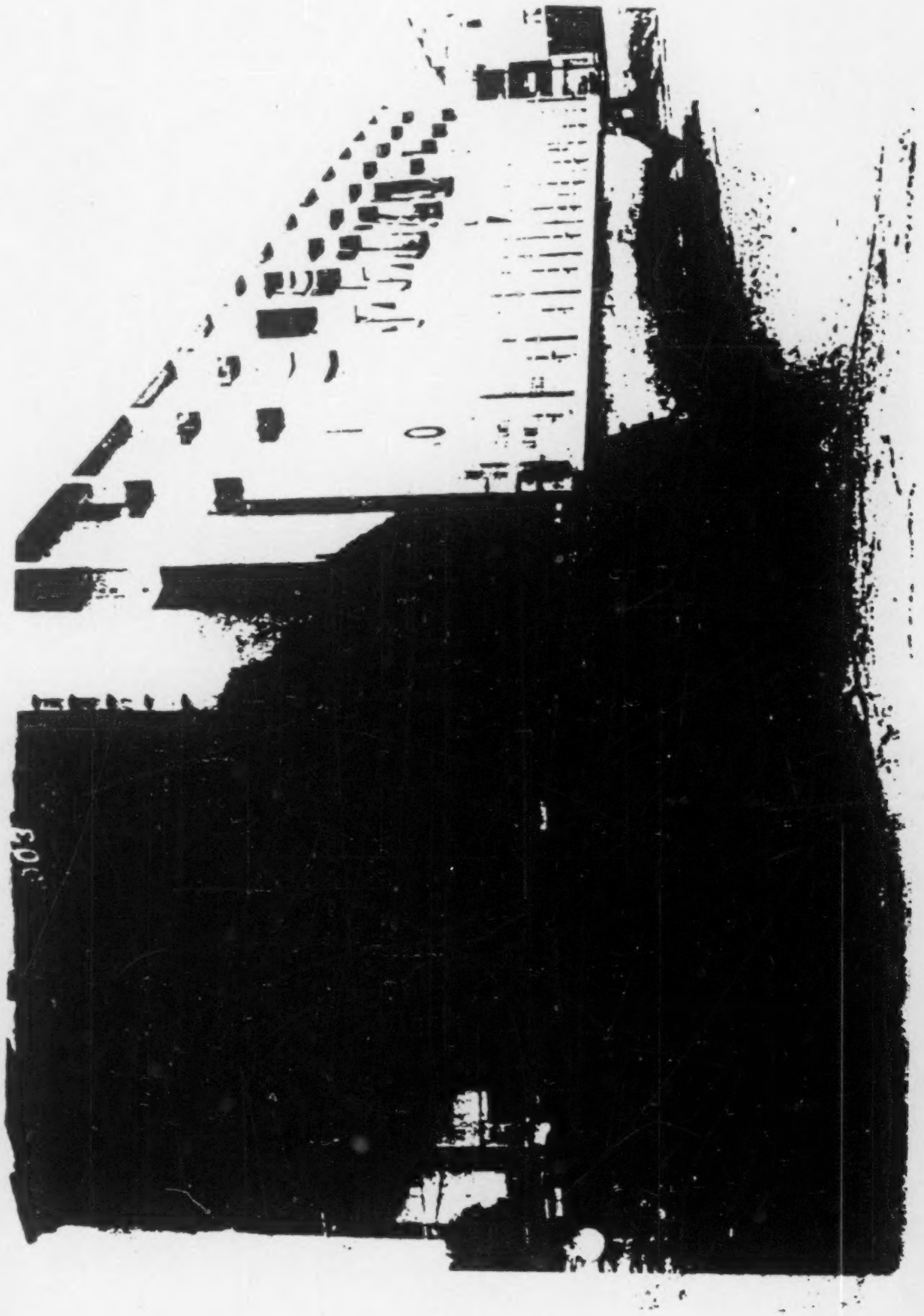


EXHIBIT B—Continued

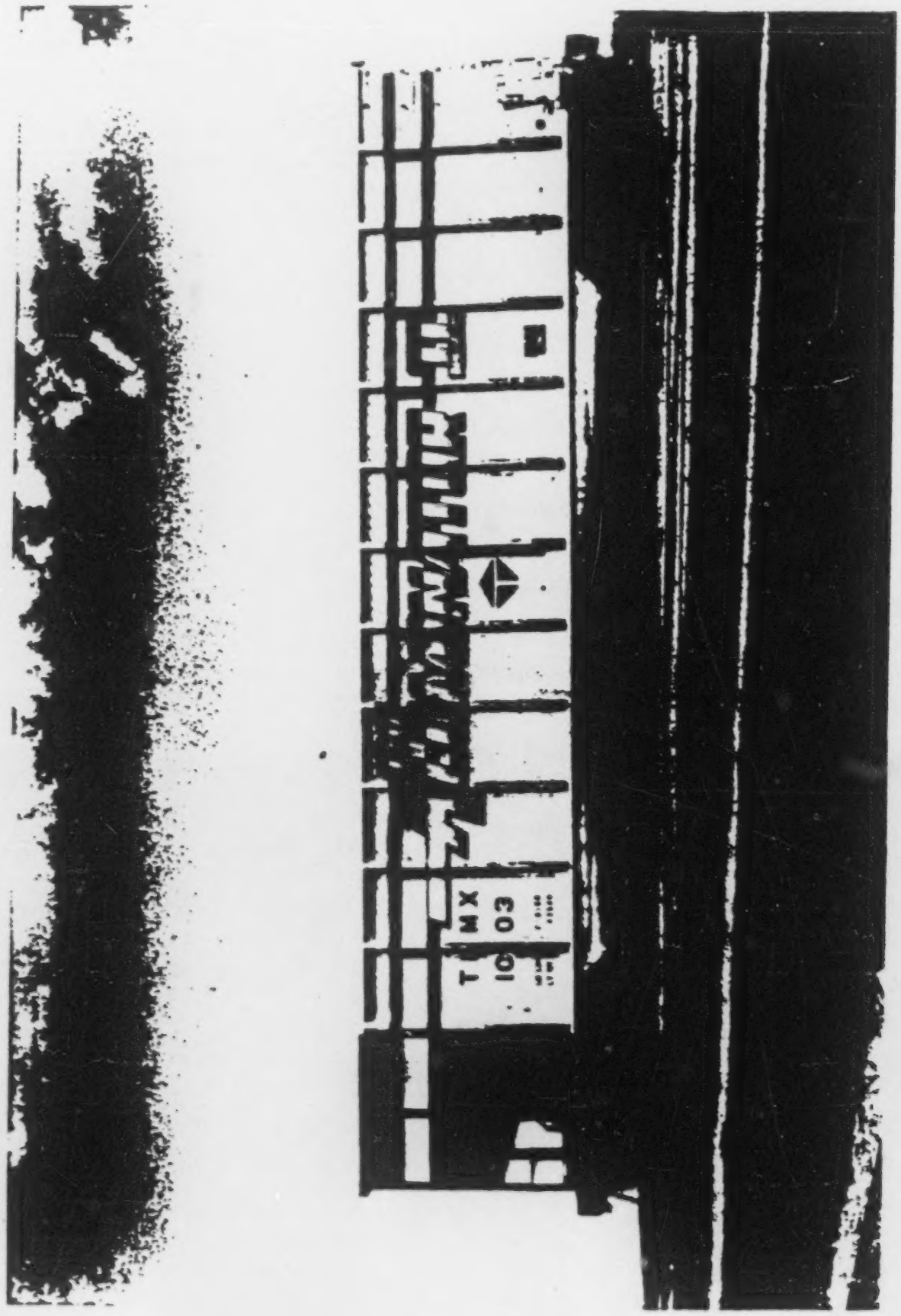


EXHIBIT C

A. T. KUEHNER.

FREIGHT CAR HOPPER.

APPLICATION FILED DEC. 24, 1920.

1,412,660. Patented Apr. 11, 1922.

2 SHEETS—SHEET 1.

Fig. 1.

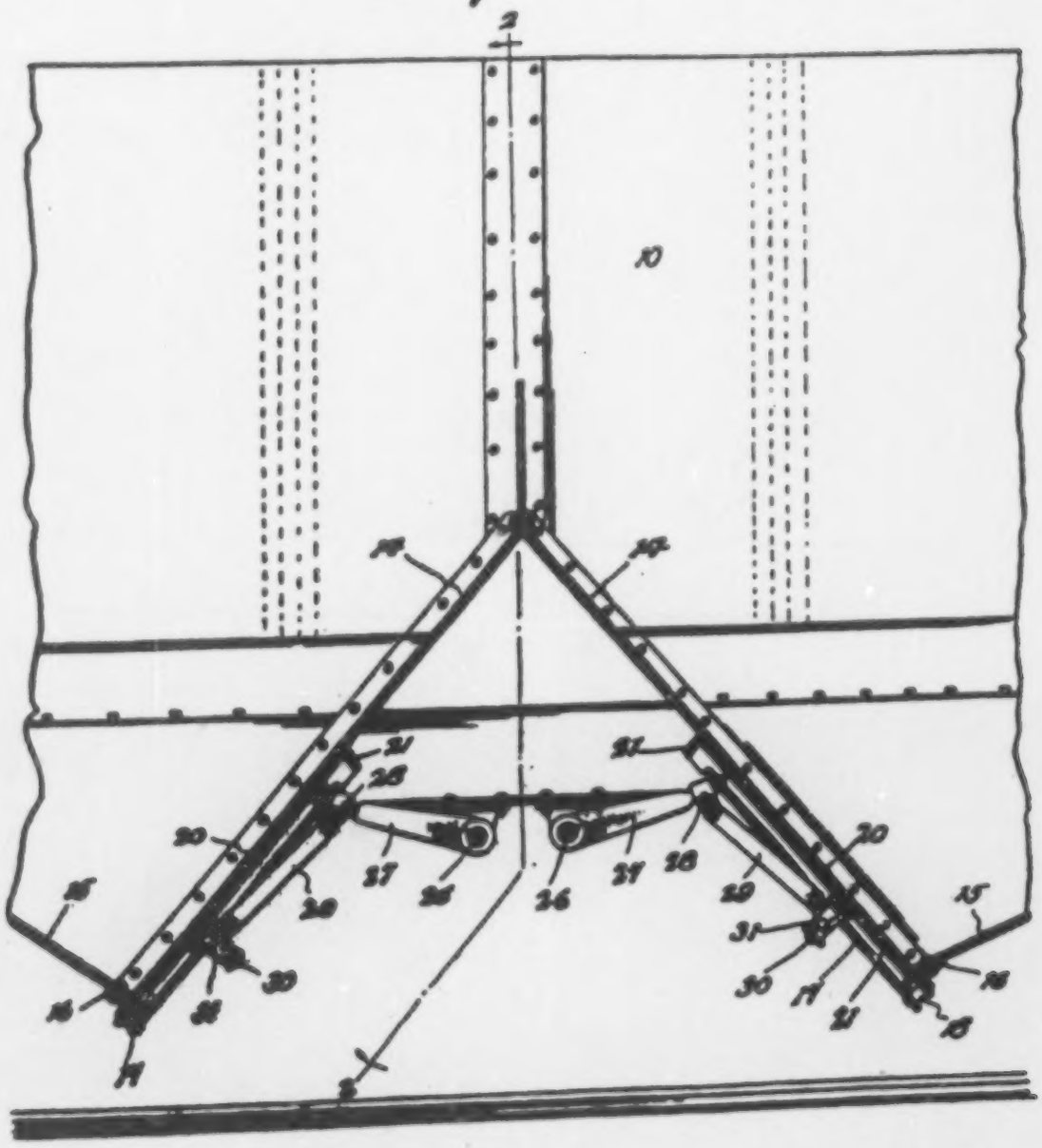


Fig. 4.

Inventor
A. T. Kuehner.

By Lacey & Lacey. Attorneys

App. 31

EXHIBIT C—Continued

A. T. KUEHNER.
FREIGHT CAR HOPPER.
APPLICATION FILED DEC. 24, 1920.

1,412,660. Patented Apr. 11, 1922.
2 SHEETS—SHEET 2.

Fig. 2.

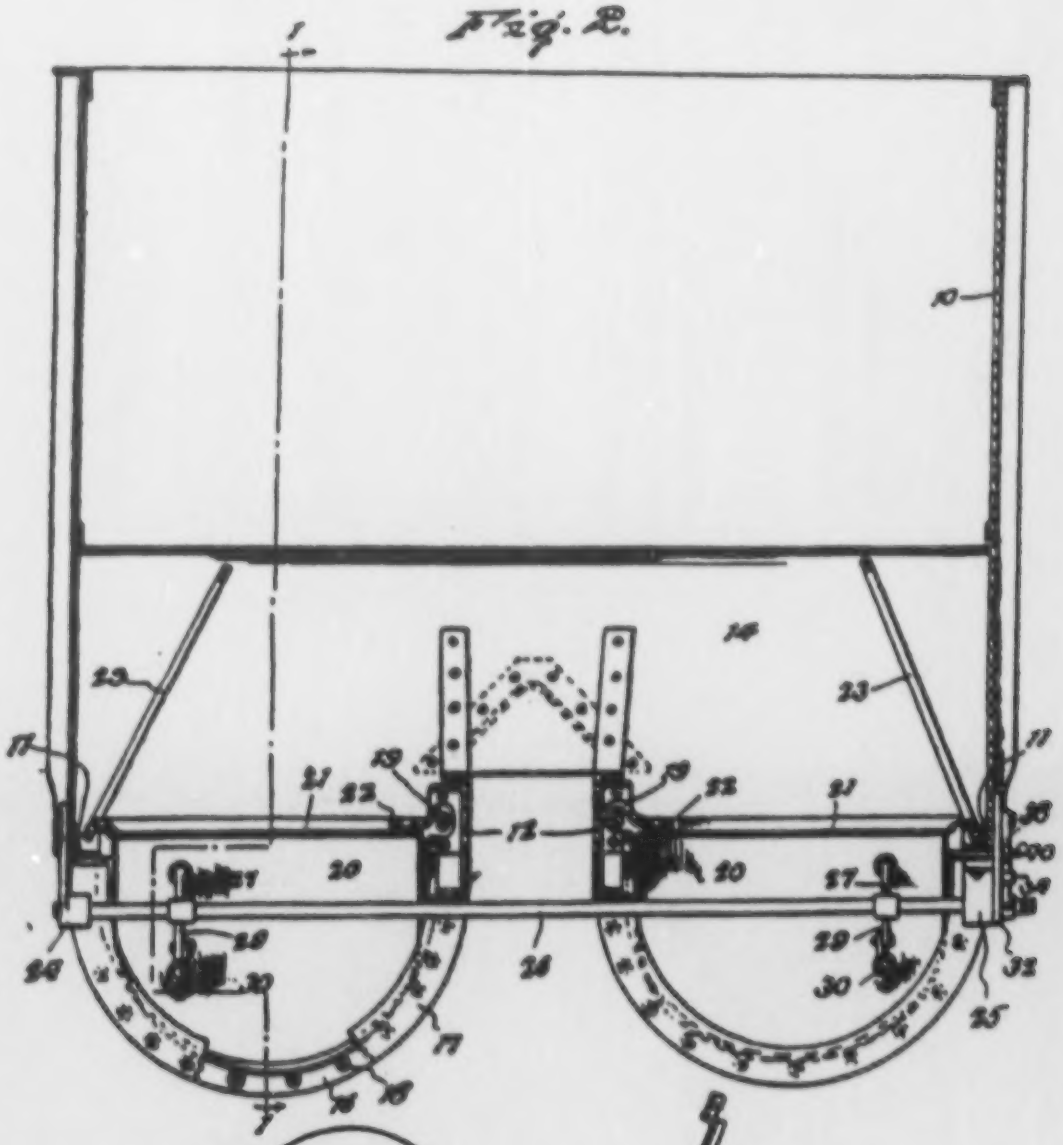


Fig. 3.

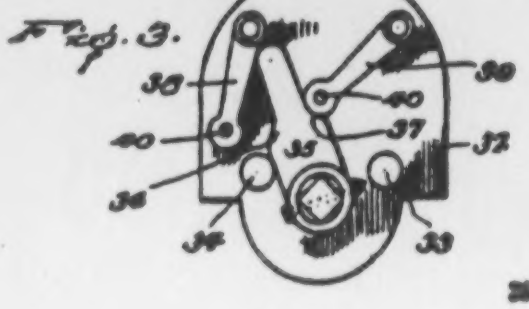
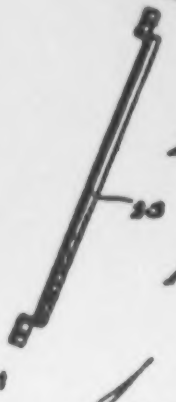


Fig. 5.



Inventor
A. T. Kuehner.

Lacey & Lacey, Attorneys.

UNITED STATES DISTRICT COURT

WESTERN DISTRICT OF PENNSYLVANIA

JOHNSTOWN AMERICA CORPORATION, and JAC PATENT CORPORATION,

Plaintiffs

v.

TRINITY INDUSTRIES, INC.,

Defendant

JUDGMENT IN A CIVIL CASE

CASE NUMBER: Civil Action No. 92-587-J

[X] **Jury Verdict.** This action came before the Court for a trial by jury. The issues have been tried and the jury has rendered its verdict upon answers to special interrogatories.

[ ] **Decision by Court.** This action came to trial or hearing before the Court. The issues have been tried or heard and a decision has been rendered.

IT IS ORDERED AND ADJUDGED

That judgment be entered in favor of the defendant, Trinity Industries, Inc.

Judgment is hereby entered in accordance with the above verdict.

8/15/96
Date

/s/ D. Brooks Smith
D. BROOKS SMITH
U.S. District Judge

(By) Deputy Clerk

UNITED STATES COURT OF APPEALS FOR THE FEDERAL CIRCUIT

97-1070,-1071

JOHNSTOWN AMERICA CORPORATION
and JAC PATENT CORPORATION,

Plaintiffs-Appellants,

v.

TRINITY INDUSTRIES, INC.,

Defendant-Cross-Appellants.

JUDGMENT

ON APPEAL from the
UNITED STATES DISTRICT COURT FOR
THE WESTERN DISTRICT OF PENNSYLVANIA

in CASE NO(S).
92-CV-587

This CAUSE having been heard and considered, it is

ORDERED and ADJUDGED: **REVERSED** and **REMANDED.**

ENTERED BY ORDER OF THE COURT

DATED MAY 28 1997 /s/ Jan Horbaly/KC
Jan Horbaly, Clerk

ISSUED AS A MANDATE: SEP 2 1997

NOTE: Pursuant to Fed. Cir. R. 47.6, this disposition is not citable as precedent. It is a public record. The disposition will appear in tables published periodically.

UNITED STATES COURT OF APPEALS FOR THE FEDERAL CIRCUIT

97-1070, -1071

JOHNSTOWN AMERICA CORPORATION and JAC PATENT CORPORATION,

Plaintiffs-Appellants,

v.

TRINITY INDUSTRIES, INC.,

Defendant-Appellee.

DECIDED: July 30, 1997

Before ARCHER, *Chief Judge*, CLEVENGER, and SCHALL, *Circuit Judges*. SCHALL, Circuit Judge.

DECISION

Johnstown America Corporation and JAC Patent Corporation (collectively "Johnstown") appealed from the decision of the United States District Court for the Western District of Pennsylvania granting partial summary judgment on the issue of literal infringement in favor of Trinity Industries, Inc. ("Trinity"). *Johnstown Am. Corp. v. Trinity Indus. Inc.*, 865 F. Supp. 1159 (W.D. Pa. 1994). Johnstown also appeals the denial of its motion for judgment as a matter of law, as well as the denial of its motion

to set aside the jury verdict and its motion in the alternative for a new trial. *Johnstown Am. Corp. v. Trinity Indus. Inc.*, No. 92-587J (W.D. Pa. Sept. 13, 1996). On May 28, 1997, in a non-precedential decision, we reversed the judgment of no literal infringement in favor of Trinity and remanded the case to the district court for a determination as to damages and for consideration of Johnstown's argument that Trinity's infringement was willful. *Johnstown Am. Corp. v. Trinity Indus. Inc.*, 114 F.3d 1206 (Fed. Cir. 1996) (unpublished). Trinity now petitions for rehearing. For the reasons stated below, we *deny* Trinity's petition.

DISCUSSION

I.

An extended factual exposition is set forth in our May 28 decision. The facts presented here are limited to those that elucidate the issues related to Trinity's petition for rehearing.

Johnstown sued Trinity for infringement of United States Patent No. 4,361,097 (the '097 patent). *Johnstown*, 865 F. Supp. at 1160. Trinity denied infringement and countered that the patent was invalid. On September 13, 1993, Trinity moved for summary judgment of non-infringement in light of the claim limitation that the longitudinal axes of the troughs extend "parallel to the longitudinal axis of the center sill." *Id.* at 1160-63. Trinity asserted that the limitation was not met literally in its accused railway car, the Aluminator II. *Id.* As far as infringement under the doctrine of equivalents was concerned, Trinity asserted that prosecution history estoppel

barred application of the doctrine to the limitation. *Id.* at 1160. In arguing that summary judgment was proper, Trinity asserted: "There are no fact issues concerning the physical structure of the Aluminator II railway car: it is what it is, as documented by the exhibits to the Affidavit of Mr. Minshull." Johnstown submitted an untimely motion for summary judgment of infringement, which the district court declined to consider.

On September 2, 1994, the district court granted summary judgment in favor of Trinity on the issue of literal infringement, but denied it with respect to infringement under the doctrine of equivalents. *Johnstown*, 865 F. Supp. at 1160. With regard to infringement under the doctrine of equivalents, the district court rejected Trinity's prosecution history estoppel argument and concluded that there were material issues of fact for the jury to decide. *Id.* at 1165-66. Following trial, the jury found no infringement under the doctrine of equivalents. The jury also found the '097 patent not invalid. Johnstown's appeal followed.

II.

In its petition for rehearing, Trinity focuses on both infringement and validity, although it chooses not to challenge our construction of the parallelism limitation of claims 1 and 6. As far as infringement is concerned, Trinity contends that its Aluminator II does not meet the "curvilinear" and "pair of trough" limitations of claims 1 and 6. Trinity states that, in order to escape literal infringement, it only had to prevail on summary judgment with respect to one of the limitations of the claims

and that it sought summary judgment based upon the parallelism limitation. Trinity asserts that, having found that the "parallel axes" limitation reads on the accused device, we should have remanded for a determination as to whether "curvilinear" and "pair of trough" limitations do so as well. In opposition to Trinity's petition, Johnstown argues that "[t]he factual conclusion that the [Aluminator II] car has a pair of troughs that are curvilinear is indisputable and a retrial would be futile."

As a general proposition, Trinity is correct that when an accused infringer moves for summary judgment of noninfringement based upon a particular claim limitation, it does not, in so doing, give up the argument that there is no infringement because other limitations are not met. *Cf. Hi-Life Prods., Inc. v. American Nat'l Water-Mattress Corp.*, 842 F.2d 323, 325, 6 USPQ2d 1132, 1133 (Fed. Cir. 1988) ("Literal infringement requires that the accused [devices] embody every limitation of the asserted claims."). However, that the infringement issue is not foreclosed by our finding that the district court erred in granting summary judgment does not necessarily preclude us from now completing the infringement analysis on appeal. As stated in *Panduit Corp. v. Dennison Mfg. Co.*, 810 F.2d 1561, 1 USPQ2d 1593 (Fed. Cir. 1987), we reverse rather than remand when "[n]othing of record warrants a further exercise of the [trial court's] fact-finding function or indicates any possibility that the appealed judgment might be sustained by such exercise." *Id.* at 1565-66; 1 USPQ2d at 1595.

We stated in our May 28 decision that, in the district court, "[i]t was undisputed that the other limitations of claims 1 and 6 were met in the Aluminator II." Although

the matter is not entirely clear from the record before us, we will accept for purposes of the petition for rehearing Trinity's statement that it "vigorously disputed" whether the "curvilinear" and "pair of trough" limitations were present in the Aluminator II. Significantly, though, Trinity itself acknowledges that the structure of the Aluminator II is not in dispute. Indeed, Trinity takes the position in its petition that we should affirm the district court's grant of summary judgment because the "curvilinear" and "pair of trough" limitations are missing from the Aluminator II. Thus, there are "no evidentiary conflicts requiring resolution on the issue of infringement." *See Laitram Corp. v. Rexnord, Inc.*, 939 F.2d 1533, 1539, 19 USPQ2d 1367, 1372 (1991). After comparing the accused device with claims 1 and 6, we conclude that the "curvilinear" and "pair of trough" limitations are both met in the Aluminator II. Accordingly, we remain of the view that the district court's judgment of no literal infringement must be reversed.

Turning to validity, Trinity asserts that the issue was tried based upon the district court's construction of the parallelism limitation – a construction that we specifically rejected. Trinity also asserts that "there was . . . no apparent reason for Trinity to appeal the jury's finding that the '097 patent was not invalid because judgment was entered in Trinity's favor." Trinity urges that considerations of fairness require that we now remand for a determination of whether the claims, as properly construed, are valid. In response, Johnstown asserts that, in the district court, the parallelism limitation was irrelevant to Trinity's case and that, in any event, Trinity has waived the validity issue by not appealing it. We conclude that,

by failing to specifically appeal the finding of validity, Trinity has waived the issue.

Each party shall bear its own costs.

---

(2)

Supreme Court, U.S.
FILED
NOV 24 1997
CLERK

No. 97-717

In The

Supreme Court of the United States

October Term, 1997

TRINITY INDUSTRIES, INC.,

Petitioner,

vs.

JOHNSTOWN AMERICA CORPORATION and JAC PATENT CORPORATION,

Respondents.

On Petition for a Writ of Certiorari to the United States Court of Appeals for the Federal Circuit

RESPONDENTS' BRIEF IN OPPOSITION

RAYMOND G. HASLEY
Counsel of Record
BRIAN W. ASHBAUGH
ROSE, SCHMIDT, HASLEY & DiSALLE, P.C.
Attorneys for Respondents
900 Oliver Building
Pittsburgh, PA 15222-2310
(412) 434-8600

72500 (800) 3 APPEAL • (800) 5 APPEAL • (800) BRIEF 21 Lutz Appellate Services, inc.

37pp

QUESTION PRESENTED

When an accused infringer in a patent suit in a federal district court files a declaratory judgment counterclaim to have the patent in suit held invalid and not infringed and files a cross-appeal to the Federal Circuit Court of Appeals from a special jury verdict and judgments that the patent is not invalid and not infringed and then causes such appeal to be dismissed after briefing the issues for review and excludes the invalidity issue, is the party entitled to a remand and retrial of its invalidity defense following an adverse judgment by the appeals court holding the patent infringed and the issue of invalidity waived?

PARTIES TO THE PROCEEDINGS

Petitioner accurately lists the parties to the proceeding.

TABLE OF CONTENTS

	Page
Question Presented	i
Parties to the Proceedings	ii
Table of Contents	iii
Table of Citations	iv
Opinions Below and Jurisdiction	1
Statement of the Case	1
A. The Petition Fails To Disclose A Critical Fact: Petitioner Cross-Appealed And Dismissed The Appeal.	1
Reasons for Denying the Writ	5
I. JAC Respectfully Submits That Trinity's Writ Should Be Denied And That Any Of The Following Reasons For Denial Are Sufficient To Conclude That Denial Of The Petition Is Warranted.	5
A. The Petitioner Intentionally Omitted A Material Fact Relating Directly To The Issue In Question.	5
B. The Federal Circuit's Decision Not To Remand For A New Trial With Regard To The Defense Of Invalidity Is Not In Conflict With Any Decision Of This Court Or Any Decision of Another Circuit.	7

Contents

Page

C. Patent Cases Raise Issues Distinct From Non-Patent Cases And The Federal Circuit Has The Authority To Establish Patent Practice And Procedural Rules, Such As Whether Cross-Appeals Are Required Regarding Challenges To Patent Validity. 9

D. In Addition To Waiving The Validity Issue, Trinity's Argument For A Remand Has No Merit Because Its Invalidity Defense Had Nothing To Do With The Construction Of Claims By The Federal Circuit. 11

E. The Federal Circuit's Claim Construction Was The Same That JAC Urged In The District Court; Hence, Remand By The Federal Circuit Would Be Inappropriate Because Trinity Should Have Anticipated The Federal Circuit's Holding. 14

Conclusion 14

Request for Sanctions 15

TABLE OF CITATIONS

Cases Cited:

B.F. Goodrich Co. v. Aircraft Braking Systems Corp., 72 F.3d 1577 (Fed. Cir. 1996) 12

Contents

	Page
Cardinal Chemical Co. v. Morton Intern., Inc., 508 U.S. 83, 124 L. Ed. 1 (1993)	7
In re Graves, 69 F.3d 1147 (Fed. Cir. 1995), *reh'g denied, in banc suggestion declined, certiorari denied, Graves v. U.S. Court of Appeals for Federal Circuit*, 116 S. Ct. 1362, 134 L. Ed. 2d 528	12
Radio Steel & Mfg. Co. v. MTD Products, 731 F.2d 840 (Fed. Cir. 1984), *cert. denied*, 469 U.S. 831, 83 L. Ed. 2d 62 (1984)	10, 11
Stelos Co. v. Hosiery Motor-Mend Corp., 295 U.S. 237 (1935)	8
Statutes Cited:	
35 U.S.C. § 102	1, 11, 12
35 U.S.C.A. § 102(d)	12
35 U.S.C.A. § 103	1, 11, 12
35 U.S.C. § 112(4)	1
35 U.S.C. § 282	9, 12
United States Constitution Cited:	
Seventh Amendment	9

Contents

Page

Rule Cited:

Fed. R. Civ. Proc. 52(a) 12

Sup. Ct. R. 42.2 15

APPENDIX

Appendix A — Judgment And Verdict Slip Of The United States District Court For The Western District Of Pennsylvania Dated August 15, 1996 ..... 1a

Appendix B — Trinity's Notice Of Appeal Filed October 18, 1996 ..... 5a

Appendix C — Trinity's Motion To Dismiss Its Cross Appeal Dated March 4, 1997 ..... 8a

Appendix D — Order Of The United States Court Of Appeals For The Federal Circuit Filed March 19, 1997 ..... 12a

Appendix E — Excerpt Of Appellee Trinity Industries, Inc.'s Petition For Rehearing And Suggestion For Rehearing In Banc 14a

OPINIONS BELOW AND JURISDICTION

Respondents are satisfied with Petitioner's presentation of the opinion below and grounds on which it seeks to invoke the jurisdiction of this Court.

STATEMENT OF THE CASE

A. The Petition Fails To Disclose A Critical Fact: Petitioner Cross-Appealed And Dismissed The Appeal.

Hereinafter, Respondents Johnstown America Corporation and JAC Patent Corporation are referred to collectively as JAC.

This is a patent case for alleged infringement where the Petitioner Trinity Industries, Inc. (Trinity), the defendant/appellee and accused patent infringer, defended the charge of infringement in the district court by denying infringement and alleging the patent invalid.[1] In fact, Trinity filed a declaratory judgment counterclaim to have the patent declared invalid under 35 U.S.C. §§ 102 and 103 as well as not infringed (R. 134a).[2]

In error, the district court in preliminary proceedings entered summary judgment in favor of Trinity on one issue. The district court held that Trinity's accused rotary gondola railroad car,

---

1. Trinity also alleged the patent did not meet the requirements of 35 U.S.C. § 112(4); there was a misjoinder of an alleged inventor and a failure to comply with the conditions of patentability. File wrapper estoppel and inequitable conduct also were alleged.

2. Hereinafter, record citations in this response appear as follows:

(R.134a) Joint Appendix to Federal Circuit
(App. 1) Appendix to Petition
(JAC App.) Appendix to this Brief

the Aluminator II, did not literally infringe the patent. The issue of infringement under the doctrine of equivalents and Trinity's counterclaim and the defensive issue of invalidity were later submitted to the jury for special findings (R. 503a; JAC App. A). The jury was required, *inter alia*, to answer the following question:

> Do you find that Trinity has proven by clear and convincing evidence that the '097 patent is invalid?

The jury answered that question no. The jury also found the patent not infringed and judgments were separately entered in accordance with that verdict and also in favor of Trinity (App. 33), the latter because the jury found the patent not infringed (JAC App. A). JAC appealed (R. 514a) and Trinity cross-appealed (R. 516a; JAC App. B).

In its petition for a writ, Trinity intentionally omits the fact that it cross-appealed. And further, that during the proceedings in the Federal Circuit, Trinity moved for the dismissal of its appeal (JAC App. C). In response, the appeals court granted Trinity's request (JAC App. D).

Following oral argument the Federal Circuit rendered an unpublished, nonprecedential decision in favor of JAC that as a matter of law there was literal infringement, reversing the district court's summary judgment on that issue. The decision turned on the application of the definition of "longitudinal axis," as those words appear in the claims. The construction of Trinity's Aluminator II railroad car was indisputable. When the definition is applied, the axis of the Aluminator II troughs is parallel to the axis of the center sill and corresponds to the limitation of the claims and there is literal infringement.

In the district court, JAC had opposed summary judgment

on different grounds including those held to control by the appeals court. JAC argued, *inter alia*, that as a matter of law there was literal infringement.

In the appeals court, to defend the charge of infringement, Trinity argued non-infringement but did not argue that the patent was invalid as a matter of law and therefore not infringed, or that the jury verdict in favor of JAC on that issue should be vacated and a new trial granted.

The Federal Circuit remanded the case for a determination of damages and whether or not Trinity's infringement was willful as JAC also contended (*see* Charge to Jury; R. 1342a). Trinity's Aluminator II railroad car is essentially a copy of JAC's commercial embodiment of the claimed invention and in large part the work of a former employee of the original owner of the patent.

Trinity petitioned the Federal Circuit for rehearing with a suggestion for rehearing *in banc*, requesting a retrial of both issues — infringement and invalidity.[3] In its petition for rehearing, Trinity made various representations of fact concerning prior matters in the district court, particularly that Trinity tried its invalidity defense using the district court's construction of the parallelism limitation in the claims and that the jury's validity finding must have been based on that claim construction. Trinity went on to state further,

> Despite Trinity's disagreement with the district court's instruction in this regard, there was (at that time) no apparent reason for Trinity to appeal the jury's finding

3. Trinity disputed that its railroad car troughs were curved; also, that there were a pair of troughs. Trinity argued it had four troughs. However, based on Trinity engineering drawings, other evidence and admissions, the construction of the car was indisputable. *See* App. 37.

that the '097 patent was not invalid because judgment was entered in Trinity's favor.

Trinity in its petition for rehearing glossed over the fact that the district court also entered a separate judgment in accordance with the jury verdict, in essence, in favor of JAC and against Trinity on its counterclaim that the patent was invalid (JAC App. A). No other interpretation of that judgment would be reasonable in light of the special interrogatories answered by the jury, Trinity's counterclaim and judgment on the verdict.

JAC disputed the representations made by Trinity to the Federal Circuit. JAC moved to supplement the record and permission to do so was granted. Trinity also supplemented the record. In response to the petition for rehearing, JAC contended there were four reasons why rehearing should be denied, any one of which was sufficient to reject Trinity's argument. First, Trinity misinterpreted the law on the issue as it related to the case. Second, the claim construction determined by the Federal Circuit was precisely the construction argued by JAC since the beginning of the case. Third, construction of the parallelism claim limitation was and is irrelevant and immaterial to Trinity's invalidity defense and, fourth, Trinity waived its appeal as to the jury verdict in favor of JAC.

Trinity cross-appealed but it did not specify or brief the issue of alleged invalidity and then it dismissed its cross appeal (JAC App. B; JAC App. C) and never argued the issue. JAC contended Trinity abandoned and waived all of the issues appealed or that could have been appealed. The Federal Circuit was required to review the record and answer the question: Why did Trinity cross-appeal if it was satisfied with the judgments of the district court? The jury's finding that the patent was not invalid went directly to Trinity's counterclaim. Did losing on its counterclaim make Trinity happy?

After considering the contentions of the parties for and against rehearing and the record of the proceedings in the district court, the panel declined Trinity's request for rehearing and rendered a decision. The panel briefly noted the existence of a factual dispute (App. 39) and decided that Trinity had waived the specific issue of invalidity for which it sought a retrial by remand (App. 40). The suggestion for a rehearing *in banc* was declined by the court and the court issued its mandate. The decisions are unpublished.

There are other purported statements of fact in the petition with regard to Trinity's Aluminator II, the prior art and related matters with which JAC disagrees. However, a more detailed and lengthy reply is not believed necessary in light of the question and the undeniable fact that Trinity filed a cross-appeal, failed to brief or argue the issue of alleged patent invalidity and then dismissed its appeal.

REASONS FOR DENYING THE WRIT

I.

JAC RESPECTFULLY SUBMITS THAT TRINITY'S WRIT SHOULD BE DENIED AND THAT ANY OF THE FOLLOWING REASONS FOR DENIAL ARE SUFFICIENT TO CONCLUDE THAT DENIAL OF THE PETITION IS WARRANTED.

A. The Petitioner Intentionally Omitted A Material Fact Relating Directly To The Issue In Question.

The statement at page 7 of the petition that, "The Federal Circuit held that Trinity, as appellee, waived the affirmative defense of patent invalidity by failing to file a conditional cross-appeal" is completely without support in the record. That is not

what the court held. As explained in Respondents' statement of the case and verified by the record (App. 40), Trinity, dissatisfied in part with the result in the district court, filed an unconditional cross-appeal but then dismissed such appeal (JAC App. C) without briefing the issue of alleged invalidity. Undoubtedly Trinity concluded that to go forward with its appeal would have been fruitless or frivolous, and decided as a strategic matter to waive it. In its petition, Trinity has intentionally omitted a material fact relating directly to the issue in question by failing to disclose that it filed a cross-appeal and then requested that it be dismissed. Following trial in the district court, Trinity chose what issues to appeal and what issues to waive and the alleged need to file a conditional cross-appeal was never a factor because Trinity filed an unconditional appeal. This lack of candor is one of many examples of Trinity's lack of good faith in this litigation which began in 1992.

This is simply not a case worthy of review. Review of a case in which the petitioner filed a cross-appeal, failed to brief the invalidity issue for which it now seeks remand and then caused the appeal to be dismissed is not worthy of further consideration by this Court. And, further, it would be a gross injustice to JAC having been in this litigation since 1992 and having received a favorable jury verdict upholding the validity of the patent to now have the case remanded to the district court for a retrial. In Trinity's petition for rehearing, it could not point the Federal Circuit to any specific alleged error by the jury in upholding the validity of the patent, or any prior art evidence that would invalidate the patent. Trinity could only make vague assertions of alleged broadening of the claims by the Federal Circuit and alleged unfairness to Trinity as grounds for a retrial (JAC App. E). Review by this Court would unsettle a well established practice and procedure with regard to patent cases and encourage unjustifiable, frivolous petitions to this Court. Parenthetically, Trinity also attempted to delay issuance of the

Federal Circuit's mandate by similar tactics and in the district court following remand, the grant of an injunction to stop Trinity's infringement.

B. The Federal Circuit's Decision Not To Remand For A New Trial With Regard To The Defense Of Invalidity Is Not In Conflict With Any Decision Of This Court Or Any Decision of Another Circuit.

Trinity, at page 9, asserts that a writ should be granted citing, *inter alia*, *Cardinal Chemical Co. v. Morton Intern., Inc.*, 508 U.S. 83, 93, 124 L. Ed. 1 (1993) a patent case in support of its assertion that the practice followed by the Federal Circuit in this case, "conflicts in principle with prior decisions of this court." However, when the record is reviewed and the facts ascertained, there is no conflict.

Cardinal Chemical Co. v. Morton Intern., Inc., 508 U.S. 83, 89 (1993) concerns a different situation entirely. In that case the patent was held invalid in the district court and under prior practice such holding was rendered moot by the Federal Circuit if on appeal the patent was held not infringed. The holding in *Cardinal* changed the practice of mooting a holding that the patent was invalid. *Cardinal* does not suggest that where patent validity is upheld in the trial court that the validity must nonetheless be reviewed by the appeals court whether or not an appeal is taken, or remanded for a second trial in the event a finding of non-infringement is reversed on appeal. *Cardinal* was directed to the Federal Circuit's practice with regard to mooting a finding of invalidity and has no bearing on this case. A patent is presumed to be valid and when validity is upheld in a district court there is no public interest to consider as a basis for review by the Federal Circuit or this court when no appeal is taken from the district court or an appeal is dismissed.

The only other patent case cited in support of Trinity's theory is *Stelos Co. v. Hosiery Motor-Mend Corp.*, 295 U.S. 237 (1935). In that case, the district court held the only claim in issue was invalid but in the alternative, if valid, not infringed and dismissed the case. Stelos, the patentee, appealed. The appeals court affirmed the holding of non-infringement. However, the circuit also held the claim was valid. This Court granted a writ because of a conflict with another circuit and to conclude that the patent claim was invalid. This Court held the appellee could urge invalidity of the patent without applying for and obtaining a cross-writ although a writ was granted. The Federal Circuit ruling in the instant case presents no conflict with that holding.

Trinity's other citations are no better. Trinity attempts to compare patent infringement cases with their distinct, critical issues that are almost always present with a hodge-podge of cases factually and procedurally distinct that do not hold, teach or suggest that in this case a remand is required. At the very best, they teach that in some situations an argument may be made in an appeals court with regard to an issue without the need to take a cross-appeal or an appeal from the original tribunal. However, that is not the relief that Trinity sought in the Federal Circuit or seeks here. Trinity filed a declaratory judgment counterclaim in the district court and the judgment on the jury verdict that the patent was valid was clearly adverse to Trinity. Trinity appealed and then dismissed its appeal in the face of a clear rule but might nonetheless have argued that the Federal Circuit should consider patent validity, and whether or not the jury verdict was against the weight of the evidence or that Trinity was entitled to JMOL or a new trial; however, Trinity made no effort to do so and can point to no failure of the Federal Circuit to entertain such argument. What Trinity wants from this Court is to avoid a review of the jury verdict by the Federal Circuit and to start over with a new jury in the district court.

None of the cases that Trinity cites holds or even suggests that Trinity be granted such extraordinary relief particularly when JAC's Seventh Amendment rights are directly involved and could be negated.

C. Patent Cases Raise Issues Distinct From Non-Patent Cases And The Federal Circuit Has The Authority To Establish Patent Practice And Procedural Rules, Such As Whether Cross-Appeals Are Required Regarding Challenges To Patent Validity.

Infringement litigation has distinct issues that typically appear in almost all suits for infringement of a patent. The issues of infringement and invalidity are distinct from non-patent cases and the practice and procedure before the Federal Circuit, unless in direct conflict with this Court, should be a matter best left with the Federal Circuit. A charge of infringement may be defended on the ground of non-infringement alone or invalidity of the patent alone or on both grounds. An invalid patent cannot be infringed and when the presumed validity is challenged, validity remains relevant unless waived by the party challenging validity. If the challenge to validity is waived, that is the end of the issue and forecloses further consideration of the matter because there is no dispute to be resolved.

To assure a degree of fairness to the patentee, if validity is challenged the patentee is entitled to know the evidence to be relied upon prior to trial. 35 U.S.C. § 282 requires the accused infringer to give notice within 30 days of trial of all prior art to be relied upon to prove invalidity. Unless the Patent and Trademark Office (PTO) overlooked more pertinent prior art than it cited when granting the patent, a § 282 notice may bring forth nothing more material than the most pertinent references previously cited by the PTO. Here, for example, in 1978 the PTO considered the significance of the '660 Kuehner patent for

curved hopper chutes to which Trinity refers at page 3 and elsewhere in its Petition, many years before the district court heard the case and considered the scope of claims. In such examination the PTO was required by its rules to give the requested claims their broadest possible interpretation when searching for relevant prior art. And, after considering the '660 patent, following an original rejection of the claims,[4] the PTO was satisfied that the '660 patent did not render the claimed inventions of the application unpatentable and cited the '660 as a reference.

Prior to trial in the district court, Trinity contended the '097 patent was invalid as a matter of law and filed a Motion for Leave to File Summary Judgment of Invalidity, but it was denied as untimely (Order, September 14, 1995; *see* Docket at R. 115a). Trinity put the same evidence before the jury at trial. The decision of the jury was adverse to Trinity. The jury rendered its verdict that the patent was not invalid despite the '660 patent and all of Trinity's other evidence (JAC App. A). Trinity was rearguing past history with regard to the '660 patent but nonetheless Trinity had the opportunity to seek relief from the jury's verdict in the appeals courts if dissatisfied but it did not do so.

In a patent case, nothing is more fundamental and critical to an accused infringer than the defense of invalidity if there is substantial evidence to support such contention. An adverse result in the district court is always appealed as a matter of course unless to do so would be frivolous. That this is so has been crystal clear to patent law practitioners since at least the Federal Circuit's decision in *Radio Steel & Mfg. Co. v. MTD Products*, 731 F.2d 840 (Fed. Cir. 1984), *cert. denied*, 469 U.S. 831, 83 L.

4. In the first examination of an application frequently the claims are rejected but then following the applicant's response, the examiner upon reconsideration will change his position. The practice is common.

Ed. 2d 62 (1984). Since that decision, there can be no argument that an accused infringer must cross-appeal or, if appropriate, brief the alleged invalidity issue. Otherwise the right to raise the issue is waived. The conservative practice is to appeal and brief the issue unless to do so would be frivolous. The result of requiring a cross-appeal assures that objections to the conduct or result of the trial in the district court are considered and decided in an orderly manner at the earliest opportunity and minimizes possible protracted and repetitive proceedings that otherwise could follow and would be unfair.

D. In Addition To Waiving The Validity Issue, Trinity's Argument For A Remand Has No Merit Because Its Invalidity Defense Had Nothing To Do With The Construction Of Claims By The Federal Circuit.

The district court's summary judgment decision did not affect the admissibility of Trinity's invalidity evidence or argument with regard to the alleged invalidity of the patent. In asserting the defense in the district court that JAC's patent was invalid under 35 U.S.C. §§ 102 and 103, Trinity did not rely on or even use the definitions of "longitudinal axis" or "axis" adopted by the district court. The district court's definition of "axis" which it applied to Trinity's troughs worked against JAC, not Trinity, and limited JAC's argument to the jury with regard to the doctrine of equivalents.

With regard to the alleged invalidity of the patent, in asserting a § 102 defense, the infringer must prove by clear and convincing evidence that every feature of the claimed invention, either explicitly or inherently is disclosed in a single prior art reference. In a § 103 defense, the infringer must prove by clear and convincing evidence that the invention as claimed was obvious to persons of ordinary skill in the art at the time of the invention. Obviousness may be proved by combining prior art

references or by other evidence, for example, non-patented art such as the Pullman car to which the petition refers. The Court of Appeals reviews a § 102 anticipation defense under the clearly erroneous standard. 35 U.S.C.A. § 102(d) — *In re Graves*, 69 F.3d 1147 (Fed. Cir. 1995), *reh'g denied, in banc suggestion declined, certiorari denied, Graves v. U.S. Court of Appeals for Federal Circuit*, 116 S. Ct. 1362, 134 L. Ed. 2d 528. The conclusion of obviousness is reviewed *de novo* as a matter of law, but determination of obviousness is based on factual inquiries which are reviewed under the clearly erroneous standard. 35 U.S.C.A. § 103; Fed. R. Civ. P. Rule 52(a), 28 U.S.C.A. — *B.F. Goodrich Co. v. Aircraft Braking Systems Corp.*, 72 F.3d 1577 (Fed. Cir. 1996).

Prior to trial, in accordance with the requirements of 35 U.S.C. § 282, Trinity identified about 130 patents and other documents to prove invalidity. At trial, Trinity's evidence was contradicted and discredited. The jury resolved the dispute in favor of JAC and upheld the validity of the patent.

The thrust of Trinity's invalidity defense at trial was based on prior art patents, including the '660 patent to which it refers in the petition. Trinity also argued that employees of Pullman rather than the named inventors of the '097 patent, were the first to conceive and reduce the invention to practice. The credibility of Trinity's evidence was argued to the jury and implicitly the jury resolved the ultimate issue against Trinity.[5]

---

5. An application for a patent filed by Pullman was in an interference proceeding in the Patent and Trademark Office (PTO) with the '097 patent. Before the contest was concluded, Trinity succeeded to the rights of Pullman. Then Pullman or Trinity abandoned the issue, but nonetheless the district court permitted Trinity to retry the issue. JAC contended the issue was *res judicata* and Trinity's evidence inadmissible but the objection was overruled. JAC also had other objections to the conduct of the trial that were overruled.

Trinity filed a cross-appeal but did not specify the issue of patent invalidity. Faced with a credibility issue and substantial evidence to support the verdict, an appeal would have been frivolous. But now that infringement has been decided against Trinity, it is another story — according to Trinity. Trinity would like to bypass a review of the issue by the Federal Circuit on the merits of its invalidity evidence and instead return to the district court for a new trial on the same issue. To do so would be grossly unfair. Trinity's appeal was dismissed at Trinity's request and for that reason the Federal Circuit had no cause to review the evidence considered by the jury or to pass on legal issues, or to remand for a retrial of the very same issue.

In its petition for rehearing Trinity could point to no error on the part of the jury upholding the validity of the patent or any prior art reference or references that would invalidate the patent as a matter of law or specifically how the evidence on a retrial would differ at a new trial. Trinity's petition for rehearing did not mention one of the cited 130 prior art references that would arguably render JAC's '097 patent invalid as anticipated or obvious.

The unfairness to JAC should be obvious. A retrial deprives JAC of a jury verdict won in a hard fought contest. Trinity chose what issues to appeal and what issues to waive. Here, without grounds to obtain a reversal in the appeals court, Trinity would have this Court grant a retrial in the district court on a technical basis and bypass an orderly appeal process that Trinity invoked but then abandoned. If fairness to JAC means anything, Trinity's petition should be denied.

E. The Federal Circuit's Claim Construction Was The Same That JAC Urged In The District Court; Hence, Remand By The Federal Circuit Would Be Inappropriate Because Trinity Should Have Anticipated The Federal Circuit's Holding.

Trinity's post-judgment contention that a new trial should be granted because the appeals court broadened the scope of claims is both inaccurate and misleading. The Federal Circuit's claim interpretation is based on the definition of "longitudinal axis" and its application to the Aluminator II. The definition did not broaden any claims. The definition of longitudinal axis that the district court recognized but refused to apply was as follows:

> the straight line running lengthwise through the centers of the cross sections at the ends of the trough

(App. 18). The Federal Circuit definition was as follows:

> [a]n axis along the lengthwise direction of the figure or body, usually passing through its center of gravity

(App. 6). The above definitions are virtually identical and when applied to the Aluminator II railroad car both definitions satisfy the claim limitation and establish literal infringement.

CONCLUSION

Surely, there is no issue of national importance in this case. The practice and procedure to follow in patent cases both in district courts and the Federal Circuit is and has been well settled and should not be unsettled or altered as Trinity would have this Court believe. Practice in other types of cases in other circuits is irrelevant and immaterial because of the Federal Circuit's exclusive appellate jurisdiction with regard to patent

infringement suits. When an accused infringer raises the defense of patent invalidity, such person has the burden of proof to overcome the presumption of validity that attaches to the patent. If the accused infringer is dissatisfied with the result reached in the district court, such person may appeal unless satisfied that to do so would be frivolous. The time and place to make that decision and raise the issue is immediately following the decision in the district court and not after an appeal, cross-appeal and the appeals court's judgment.

Trinity's contention that until the appeals court reversed the district court it had no reason to be dissatisfied is utter nonsense. It lost on a critical issue in the district court and was always at risk that what happened could happen. Now, begging for another chance, Trinity not only attempts to create an issue from whole cloth with reference to conditional cross-appeals when that issue was never before the Federal Circuit, but in doing so, it intentionally omitted to disclose that it cross-appealed and waived its appeal.

REQUEST FOR SANCTIONS

As a result of (1) Trinity's lack of candor to this Court by its intentional omission of a material fact (its cross-appeal and waiver thereof) which relates directly to the issue in question and (2) the general lack of merit of Trinity's Petition, JAC hereby requests that the Court impose sanctions against Trinity under Section 42.2 of the Rules of the Supreme Court, which sanctions are requested to include, without limitation, double costs of JAC's responding to Trinity's petition. JAC acknowledges that this Court's policy has been to limit sanctions to egregious cases, but respectfully submits that Trinity's lack of good faith and candor in its petition makes this case an egregious case worthy of sanctions against Trinity.

Respectfully submitted,

RAYMOND G. HASLEY
Counsel of Record
BRIAN W. ASHBAUGH
ROSE, SCHMIDT, HASLEY
& DiSALLE, P.C.
Attorneys for Respondents
900 Oliver Building
Pittsburgh, PA 15222-2310
(412) 434-8600

APPENDIX A — JUDGMENT AND VERDICT SLIP OF THE UNITED STATES DISTRICT COURT FOR THE WESTERN DISTRICT OF PENNSYLVANIA DATED AUGUST 15, 1996

UNITED STATES DISTRICT COURT
WESTERN DISTRICT OF PENNSYLVANIA

CASE NUMBER: Civil Action No. 92-587-J

JOHNSTOWN AMERICA CORPORATION, and JAC PATENT CORPORATION,

Plaintiffs

V.

TRINITY INDUSTRIES, INC.,

Defendant

JUDGMENT IN A CIVIL CASE

☒ **Jury Verdict.** This action came before the Court for a trial by jury. The issues have been tried and the jury has rendered its verdict upon answers to special interrogatories.

* * *

IT IS ORDERED AND ADJUDGED

That judgment be entered in favor of the defendant, Trinity Industries, Inc.

Judgment is hereby entered in accordance with the above verdict.

Appendix A

8/15/96
Date

s/ D. Brooks Smith
D. BROOKS SMITH
U.S. District Judge

Appendix A

IN THE UNITED STATES DISTRICT COURT
FOR THE WESTERN DISTRICT OF PENNSYLVANIA

Civil Action No. 92-587J

JOHNSTOWN AMERICA CORPORATION, and JAC PATENT CORPORATION,

Plaintiffs,

vs.

TRINITY INDUSTRIES, INC.,

Defendant.

VERDICT SLIP

AND NOW, this 15TH day of August, 1996, we the jury empaneled in this matter, return the following verdict:

1. Do you find that Johnstown America has proven by a preponderance of the evidence that Trinity's Aluminator II car infringes the '097 Patent under the doctrine of equivalents?

Yes_____ No___✓___

(Continue to question 2.)

2. Do you find that Trinity has proven by clear and convincing evidence that the '097 Patent is invalid?

Yes_____ No___✓___

Appendix A

(If you answered either "no" to question 1 or "yes" to question 2, skip questions 3 through 6; otherwise, go to question 3.)

* * *

1. s/ Frank V. Jovenall
   Foreperson
2. s/ Cathleen J. Senko
3. s/ Heidi J. Miller
4. s/ Kathie J. Amos
5. s/ Brenda S. Boehme
6. s/ Richard S. Christner
7. s/ Nicholas C. Hunter
8. s/ Ruth Simms
9. s/ Mary E. Pitzer
10. s/ Sharon L. White

APPENDIX B — TRINITY'S NOTICE OF APPEAL FILED OCTOBER 18, 1996

IN THE UNITED STATES DISTRICT COURT
FOR THE WESTERN DISTRICT OF PENNSYLVANIA
JOHNSTOWN DIVISION

CIVIL ACTION NO. 92-587J

JOHNSTOWN AMERICA CORPORATION, and JAC PATENT CORPORATION

Plaintiffs,

vs.

TRINITY INDUSTRIES, INC.,

Defendant.

TRINITY'S NOTICE OF APPEAL

Notice is hereby given that Trinity Industries, Inc., defendant in the above-named case, hereby appeals to the United States Court of Appeals for the Federal Circuit from:

- the Order made by this Court denying Trinity's jury instructions (docket no. 138) related to misjoinder of inventors and the submission of the inventorship issue to the jury as reflected in the record at R. (8-13-96) at 173-74 and in Court Ex. 2 (docket no. 177); and

- the Orders denying application or submission of the doctrine of file wrapper estoppel, and specifically the Order entered September 2, 1994 (docket no. 71), the denial Trinity's Motion for Directed Verdict (docket no. 173) made in the

record at R. (8/5/96) at 230 and R. (8/6/96) at 256, the denial of Trinity's motion for judgment as a matter of law made in the record at R. (8/12/96) at 130-31, and the denial of Trinity's jury instructions on file wrapper estoppel as referenced in the record at R. (8/12/95) at 131-77; R. (8/13/96) at 2-38 and 171-74; and Court Ex. 2 (docket no. 177).

Respectfully submitted this 17th day of October, 1996.

s/ Robert H. Johnston, III
Larry D. Carlson
Robert M. Chiaviello, Jr.
Robert H. Johnston III
BAKER & BOTTS, L.L.P.
2001 Ross Avenue
Dallas, TX 75201-2980
Telephone: (214) 953-6500
Facsimile: (214) 953-6503

Frederick N. Egler, Sr.
428 Forbes
21st Floor, The Lawyers Building
Pittsburgh, PA 15219
(412) 391-2132 - FAX

ATTORNEYS FOR DEFENDANT TRINITY INDUSTRIES, INC.

Appendix B

CERTIFICATE OF SERVICE

I hereby certify that on the 17th of October, 1996, a true and correct copy of this instrument was served by Federal Express upon Raymond G. Hasley, Rose, Schmidt, Hasley & DiSalle, P.C., 900 Oliver Building, Pittsburgh, Pennsylvania, 15222-5369.

s/ Robert H. Johnston, III
Robert H. Johnston III

APPENDIX C — TRINITY'S MOTION TO DISMISS ITS CROSS APPEAL DATED MARCH 4, 1997

IN THE
United States Court of Appeals
FOR THE FEDERAL CIRCUIT

No. 97-1070, -1071

JOHNSTOWN AMERICA CORPORATION AND JAC PATENT CORPORATION,

Plaintiffs-Appellants,

v.

TRINITY INDUSTRIES, INC.,

Defendant-Cross-Appellant.

TRINITY'S MOTION TO DISMISS ITS CROSS APPEAL

Defendant-Appellee, Trinity Industries, Inc., moves to dismiss Trinity's cross-appeal (97-1071). Trinity now views the issues raised in its cross appeal as moot in view of the favorable jury verdict and judgment entered in favor of Trinity.

Therefore, Trinity requests that this motion be granted and its cross appeal dismissed.

Respectfully submitted this 4th day of March, 1997.

Appendix C

By: s/ Robert H. Johnston, III
Larry D. Carlson
State Bar No. 03814500
Robert M. Chiaviello, Jr.
State Bar No. 04190720
Robert H. Johnston III
State Bar No. 00784352
BAKER & BOTTS, L.L.P.
2001 Ross Avenue
Dallas, TX 75201-2980
Telephone: (214) 953-6500

ATTORNEYS FOR
DEFENDANT-CROSS-APPELLANT,
TRINITY INDUSTRIES, INC.

Appendix C

CERTIFICATE OF CONFERENCE

Pursuant to Fed. Cir. R. 27(a)(5), on February 24, 1997, counsel for Defendant-Cross-Appellant, Trinity, conferred with Brian W. Ashbaugh, counsel for Plaintiff-Appellants, Johnstown America Corporation and JAC Patent Corp., to obtain consent or a statement of opposition with respect to this Motion. Mr. Ashbaugh would neither express consent nor opposition.

s/ Robert H. Johnston, III
Robert H. Johnston III
ATTORNEY FOR
DEFENDANT-CROSS-APPELLANT,
TRINITY INDUSTRIES, INC.

Appendix C

CERTIFICATE OF INTEREST

Pursuant to Rule 47.4 of the Federal Circuit Rules, the undersigned counsel for Defendant-Cross-Appellant, Trinity Industries, Inc., certifies:

1. The full name of every party represented on this appeal by me is Trinity Industries, Inc.

2. Trinity Industries, Inc. is the real party in interest in this case.

3. Pursuant to Federal Rule of Appellate Procedure 26.1, the only parent company, subsidiary or affiliate of Trinity Industries, Inc. that has issued shares to the public is Halter Marine Group, Inc.

4. The names of all law firms whose partners or associates have appeared for Trinity Industries, Inc. in the trial court or are expected to appear for it in this court are: Larry D. Carlson, Robert M. Chiaviello, Jr., Robert H. Johnston III, Jerry W. Mills, Baker & Botts, L.L.P.; Frederick N. Egler, Sr., Egler, Garrett & Egler; and Dennis M. McGlynn, R. Thomas Strayer Law Offices.

Date: March 4, 1997

s/ Robert H. Johnston, III
Robert H. Johnston III
ATTORNEY FOR
DEFENDANT-CROSS-APPELLANT,
TRINITY INDUSTRIES, INC.

APPENDIX D — ORDER OF THE UNITED STATES COURT OF APPEALS FOR THE FEDERAL CIRCUIT FILED MARCH 19, 1997

United States Court of Appeals for the Federal Circuit

97-1070, -1071

JOHNSTOWN AMERICA CORPORATION and JAC PATENT CORPORATION,

Plaintiffs-Appellants,

v.

TRINITY INDUSTRIES, INC.,

Defendants-Appellees.

ON MOTION

ORDER

Upon consideration of the unopposed motion of Trinity Industries, Inc. to voluntarily dismiss its cross appeal.

IT IS ORDERED THAT:

(1) Trinity's motion is granted and appeal no. 97-1071 is dismissed.

(2) Copies of this order, and the briefs as filed, will be transmitted to the merits panel assigned to hear 97-1070.

Appendix D

FOR THE COURT

3/19/97	s/ Jan Horbaly
Date	Jan Horbaly
	Clerk

cc: Raymond G. Hasley, Esq.
Larry D. Carlson, Esq.

ISSUED AS A MANDATE AS TO 97-1071 ONLY: MAR 19 1997

APPENDIX E — EXCERPT OF APPELLEE TRINITY INDUSTRIES, INC.'S PETITION FOR REHEARING AND SUGGESTION FOR REHEARING IN BANC

[commencing at page 8]

This Court's reinterpretation of the parallelism limitation necessitates that Trinity be granted a new trial. Trinity attacked the validity of the '097 Patent with evidence and arguments carefully crafted after consideration of — and based upon — the district court's construction of the Patent. If the district court's underlying construction of the Patent was wrong, then the verdict and the entire decision-making process to verdict (e.g., evidence, arguments, counter arguments, jury instructions, deliberations, etc.) was a non sequitur. This Court's reinterpretation of the '097 Patent, which has the effect of substantially broadening the scope of the claims, correspondingly renders the Patent much more vulnerable to a renewed and refocused invalidity challenge by Trinity. Given a new trial, and with the opportunity to present evidence, Trinity can persuade a jury that the newly construed, and substantially [9] broadened, claims of the '097 Patent are invalid under 35 U.S.C. §§ 102 and 103. Fundamental fairness requires that Trinity be granted the opportunity to (1) challenge the validity of the Patent in light of the new construction of the parallelism limitation, (2) marshall evidence and arguments tailored to the new construction of the claims, and (3) have a jury determine the validity of the Patent in light of that new construction and (competing) evidence. Without a fair chance to meet fully this Court's newly declared interpretation with evidence proving the invalidity of the '097 Patent, Trinity will be denied its Constitutional right to a proper day in court.

* * *

(3)

Supreme Court, U.S.
FILED
DEC 4 1997
CLERK

No. 97-717

In The

Supreme Court of the United States

October Term, 1997

TRINITY INDUSTRIES, INC.,

Petitioner,

v.

JOHNSTOWN AMERICA CORPORATION AND JAC PATENT CORPORATION,

Respondents.

On Petition For A Writ Of Certiorari To The United States Court Of Appeals For The Federal Circuit

REPLY BRIEF IN SUPPORT OF PETITION

LARRY D. CARLSON*
ROBERT M. CHIAVIELLO, JR.
DAVID G. WILLE
BAKER & BOTTS, L.L.P.
2001 Ross Avenue
Dallas, Texas 75201-2980
Telephone: (214) 953-6500
Attorneys for Petitioner

**Counsel of Record*

December 4, 1997

COCKLE LAW BRIEF PRINTING CO., (800) 225-6964
OR CALL COLLECT (402) 342-2831

1388

TABLE OF CONTENTS

Page

TABLE OF CONTENTS i

TABLE OF AUTHORITIES ii

INTRODUCTION 1

I. Trinity did not Mislead this Court 2

II. The Judgment in this Case is a General Judgment in Favor of Trinity 4

III. The Federal Circuit's Decision Conflicts with the Reasoning of Prior Decisions of this Court and with Decisions of other Regional Circuits 6

CONCLUSION 10

TABLE OF AUTHORITIES

Page

Bede v. Baker & English, Inc., 274 F.2d 833 (6th Cir. 1960) 7

Bowen v. United States Postal Service, 459 U.S. 212 (1983) 1

CVI/Beta Ventures v. Tura LP, 120 F.3d 1260 (Fed. Cir. 1997) 9

Cardinal Chemical Co. v. Morton Intern., Inc., 508 U.S. 83 (1993) 6, 8

Chevron U.S.A. v. Natural Resources Defense Council, 104 S. Ct. 2778 (1984) 4

Guiberson Corp. v. Equipment Engineers, 252 F.2d 431 (5th Cir. 1958) 8

Mannix Co. v. Healey, 341 F.2d 1009 (5th Cir. 1965) 7

Maytag Co. v. Murray Corp., 318 F.2d 79 (6th Cir. 1963) 7

Merco Norstrom Valve Co. v. W.M. Acker Org., 131 F.2d 277 (6th Cir. 1942) 7

Nestier Corp. v. Menasha Corp., 739 F.2d 1576 (Fed. Cir. 1984) 5

Stelos Co. v. Hosiery Motor-Mend Corp., 295 U.S. 237 (1935) 6, 7

INTRODUCTION

Trinity Industries Inc. (Trinity) requests that its Petition be granted. Respondents Johnstown America Corp. and JAC Patent Corp. (collectively, JAC) have not challenged the majority of the arguments in favor of granting Trinity's Petition. In fact, JAC has resorted to trying to mask its weak position by accusing Trinity of misleading this Court. Like JAC's position on the merits, this accusation has scant support.

The issue in this case is whether, in the context of a reversal of a judgment with which the appellee was satisfied prior to reversal, the appellee waives the right to seek remand on an issue affected by the reversal by failing to file (or pursue) a conditional cross-appeal. The Federal Circuit says yes, finding a waiver in this case. The majority of Circuit Courts addressing the issue and the reasoning of prior decisions of this Court say no. JAC does not analyze the reasoning of other courts that have addressed this issue. Instead, JAC argues that the Federal Circuit should be able to adopt its own rule, apparently one in conflict with this Court's prior decisions.

JAC does not dispute that the issue is governed by the decisions of this Court, rather than by statute or rule. (Pet. at 7-8, 11-13). JAC does not discuss or even cite this Court's prior decision in *Bowen v. United States Postal Service*, 459 U.S. 212 (1983), a case whose reasoning directly conflicts with the holding of the Federal Circuit in this case as previously explained. (Pet. at 12-13). JAC does not address, let alone refute, any of the sound policy arguments offered by Trinity in support of the view of the majority of the other regional circuits and the view

expressed in the reasoning of prior decisions of this Court, a view directly at odds with the Federal Circuit's practice in cases such as this one. (Pet. at 16-18). JAC does not deny that the Federal Circuit's practice that requires conditional cross-appeals even where a legal finding is reversed on appeal conflicts with the decisions of the majority of Circuit Courts that have faced the issue in other contexts, with only one other Circuit agreeing with the Federal Circuit. (Pet. at 18-20) JAC does not discuss or even cite the eight patent cases that unanimously espouse a view of the question presented that is directly contrary to the view of the Federal Circuit. (Pet. at 19 n.4).

JAC fails to address all of these issues because Trinity's position is the correct one. The weight of authority of both this Court and other Circuit Courts strongly suggests that Trinity's Petition should be granted. The authority relied upon by Trinity so strongly favors its position that Trinity requests that this Court exercise its discretion pursuant to Sup. Ct. R. 16 to enter a summary disposition on the merits.

I. Trinity did not Mislead this Court.

JAC contends that Trinity misled this Court by failing to disclose that Trinity filed a cross-appeal and then voluntarily dismissed that cross-appeal without filing a brief. This ad-hominem attack is much ado about nothing. It is meant to do nothing more than distract this Court from the important issue before it. As described in the introduction, JAC cannot and did not refute Trinity's position on the merits. JAC's weak position has caused it to attempt to hide from those merits.

Trinity did not intend to mislead this Court. The Federal Circuit, in its opinion denying rehearing, stated, "We conclude that, by failing to specifically appeal the finding of validity, Trinity has waived the issue." (App. 39-40). The opinion says nothing about the significance of the filing and dismissal of Trinity's cross-appeal prior to briefing. The issue before this Court is whether the waiver finding was correct, not how the waiver occurred. If a waiver did occur, it is irrelevant whether that waiver occurred by filing a conditional cross-appeal and dismissing it prior to briefing or by failing to file a conditional cross-appeal in the first place. Demonstrating this irrelevance, JAC never explains how Trinity's actions affect the merits of Trinity's Petition.[1] JAC merely asserts that this "material fact" was intentionally omitted without explaining how the fact is material.

JAC's motion for sanctions deserves little comment. Trinity's failure to discuss its dismissal of its cross-appeal is irrelevant to the issue before the Court. Trinity's Petition has merit and should be granted. Trinity is similarly at a loss to understand how JAC can allege that Trinity's Petition is frivolous when it cannot even refute Trinity's arguments and did not address most of them. JAC does not cite a *single* authority supporting the decision of the Federal Circuit in this case, other than prior Federal

---

[1] Trinity chose to dismiss its cross-appeal mainly for the reasons discussed at pp. 16-18 of the Petition. JAC must agree that Trinity made the right choice as it alleges that an appeal by Trinity "would have been frivolous." (JAC Br. at 13). Trinity's voluntary dismissal of its cross-appeal further demonstrates the problems created by the Federal Circuit's failure to follow accepted procedural norms.

Circuit decisions. Specifically, JAC does not cite any decisions of this Court that contain reasoning consistent with the decision of the Federal Circuit. Nor does JAC cite any appellate decisions that are consistent with the decision of the Federal Circuit.

II. The Judgment in this Case is a General Judgment in Favor of Trinity.

JAC implies in its brief that the district court entered a judgment finding that the patent was not invalid. (JAC Br. at 2, 8). In fact, there was no such judgment. The district judge entered only a single judgment in this case after trial, the one set forth at App. 33. JAC includes the Jury Verdict slip at pp. 3a-4a of its appendix, implying that the district judge attached the verdict slip to the judgment. This was not the case. The district court filed the judgment set forth at App. 33 as a separate one-page entry on the docket, without attaching the verdict. JAC failed to request clarification of the judgment in the district court and would now like to read something into it that is not there.

As this Court has often stated, appellate courts "review[ ] judgments, not opinions." *Chevron U.S.A. v. Natural Resources Defense Council,* 104 S. Ct. 2778, 2781 (1984). An obvious corollary is that appellate courts review judgments, not verdict slips. The judgment is what controls, not the jury verdict slip. Here, the district court ordered and adjudged: "That judgment be entered in favor of the defendant, Trinity Industries, Inc. Judgment is hereby entered in accordance with the above verdict." Thus, the judgment was a general one, akin to a

general verdict. In other words, the district court simply entered judgment that Trinity wins. The judgment says nothing about patent infringement or patent validity.

Judges often enter judgments in patent cases that make specific findings on validity and infringement based upon a jury verdict. The district judge chose not to do so here, instead entering a general judgment. *See Nestier Corp. v. Menasha Corp.*, 739 F.2d 1576, 1578 (Fed. Cir. 1984) (district court entered judgment of noninfringement and entered no judgment on jury verdict as to validity). Had JAC desired findings on specific issues, it could have filed a motion to modify the judgment. If the district judge intended to make a finding on validity, it would not have entered judgment "in favor" of Trinity because the entire judgment would not have been "in favor" of Trinity had such a finding been made.

Even if the district court had made a specific finding on validity, Trinity's Petition still would have merit. For the reasons explained in Trinity's Petition, Trinity could not have appealed a validity finding because Trinity would have had no legitimate complaint about the finding under the claim construction adopted by the district court. (Pet. at 13-17). Now, however, with the broader claim construction adopted by the Federal Circuit, new prior art becomes directly relevant and Trinity has a strong invalidity case to pursue. (Pet. at 14-16 and n.3). If a validity finding had been made and Trinity had pursued its cross-appeal, it could have done nothing more than argued that the validity finding was wrong in the event that the Federal Circuit decided to change the claim construction. (Pet. at 17). Accordingly, even if the district court had made a finding on validity, an appeal by Trinity

would have served as nothing more than the clearing of a meaningless procedural hurdle. The policy considerations underlying this Court's prior practices in such circumstances would all still be on point even if a validity finding was made. (*See* Pet. at 16-18).

III. The Federal Circuit's Decision Conflicts with the Reasoning of Prior Decisions of this Court and with Decisions of other Regional Circuits.

As noted in the introduction, JAC has done little to refute the analysis in Trinity's Petition. One argument raised by JAC, however, deserves comment. JAC contends that non-patent cases cited by Trinity are irrelevant and that the Federal Circuit should be able to develop procedural rules to be applied only in patent cases. JAC's assertions do not survive closer scrutiny.

First, JAC cannot even distinguish the patent cases that Trinity has cited.[2] JAC merely makes a conclusory statement that the "instant case presents no conflict" with the holding in *Stelos Co. v. Hosiery Motor-Mend Corp.*, 295 U.S. 237 (1935). Such conclusory statements prove nothing. The reasoning in *Stelos Co.* is on point. Conditional cross-appeals are analogous to conditional cross-petitions

---

[2] Strangely, JAC begins by discussing *Cardinal Chemical Co. v. Morton Intern., Inc.*, 508 U.S. 83 (1993). Trinity merely cited this case for the proposition that Federal Circuit procedural practice is important to the entire nation because the Federal Circuit hears all appeals in patent cases. (Pet. at 9). Of course, the issue before the Court transcends patent law and affects many areas of the law, particularly criminal sentencing. (Pet. at 19-20).

for certiorari and this Court's decision in *Stelos Co.* adopts reasoning in the later context completely at odds with the Federal Circuit's view in the former context. (Pet. at 11-12).[3]

In addition, JAC completely ignores the appellate opinions in patent cases issued by other Circuits prior to the creation of the Federal Circuit. Every Circuit to decide the issue prior to the creation of the Federal Circuit adopted a position opposite to that of the Federal Circuit in this case. (Pet. at 18-19 and n.4). If only patent cases are to be the measure of this procedural issue, as JAC argues, then the Petition should be granted and an opinion issued without oral argument. JAC can cite no authority of this Court in a patent case, nor of any other Circuit Court besides the Federal Circuit, that is consistent with the decision in this case.

Second, the issue is not unique to patent law. If it were, then the Federal Circuit's decision would have to be rejected as inconsistent with the reasoning of this Court's prior patent decisions and with the unanimous view of the other Circuit Courts prior to the creation of

---

[3] Plainly, the procedural postures are analogous. Several Circuit Court decisions raising the exact issue presented in Trinity's Petition cite *Stelos*, apparently by analogy, to reach a conclusion opposite to that of the Federal Circuit in this case, but consistent with *Stelos*, *E.g.*, *Mannix Co. v. Healey*, 341 F.2d 1009, 1013 (5th Cir. 1965); *Maytag Co. v. Murray Corp.*, 318 F.2d 79, 80 (6th Cir. 1963); *Bede v. Baker & English, Inc.*, 274 F.2d 833, 835 (6th Cir. 1960); *Merco Norstrom Valve Co. v. W.M. Acker Org.*, 131 F.2d 277 (6th Cir. 1942).

the Federal Circuit. The reasoning of other cases, however, is equally valid in patent cases. This Court's decision in *American Ry. Express*, a decision upon which most of the later relevant cases are based, does not suggest that the issue should be treated differently in patent cases. Neither do the other authorities that Trinity relies upon. In fact, one of the patent cases cited by Trinity explicitly relies upon *American Ry. Express*.[4] The policy arguments offered by Trinity against the Federal Circuit's rule are equally applicable in patent cases as in all other cases. (*See* Pet. at 16-18). Trinity cites opinions of both this Court and the other Circuit Courts that address the procedural issue presented by this case. The reasoning in those opinions does not depend upon the particular substantive body of law; it depends upon the general policy considerations discussed by Trinity.

Third, there is nothing about patent cases that justifies abandonment of longstanding procedural practices mandated by this Court and adopted by the majority of Circuit Courts. Too often, the Federal Circuit ignores this Court's decisions and attempts to adopt its own view of the law. That is what led to this Court's decision in *Cardinal Chemical*. The comments of Federal Circuit Judge Mayer, dissenting from the denial of rehearing in a recent case are particularly insightful. "We are not the only ones who use the law and like our audience – the patent community, the district judges, and others – we are bound to interpret law according to specific rules. By violating these interpretive rules, or by exposing them to

---

[4] *Guiberson Corp. v. Equipment Engineers*, 252 F.2d 431, 432 (5th Cir. 1958).

exceptions so that our court can amass decisionmaking authority without due deference to other actors in the process, we inappropriately encumber the process with ambiguity, which invites uncertainty in the law and which cannot help but to repay us with larger caseloads and disgruntled litigants." *CVI/Beta Ventures v. Tura LP*, 120 F.3d 1260 (Fed. Cir. 1997) (Mayer, J., dissenting). All Trinity asks is that the Federal Circuit follow this Court's procedural practices.

JAC gives little justification for adopting a special rule in patent cases, basically contending that a special rule is justified because validity and infringement are almost always issues in patent appeals. JAC's argument has some merit where the district court makes specific findings on validity and infringement and when the potential cross-appellant has some complaint about validity under the claim construction adopted by the district court and used to determine the validity question. In that context, a cross-appeal should be required under this Court's prior cases. The situation is different, however, if either (as are both true in this case) the district court fails to enter an explicit judgment on the validity issue or the claim construction changes on appeal, raising a very different validity issue as a result of the appeal. Thus, JAC's arguments really address the issue of whether cross-appeals may be necessary in the average case where claim construction does not change on appeal.

JAC makes no policy arguments as to why patent cases should be treated differently when a legal finding changes on appeal. The policy arguments applicable in other cases also apply in patent cases. When claim construction changes, an appeal would be nothing more than

a formality as remand would be required. (Pet. at 16-17). In addition, the appellee would be in the hopeless position of anticipating what the appellate court might do, rather than complaining of some specific error by the district court. (Pet. at 17). Finally, conditional cross-appeals would impose a burden on appellate courts of handling additional appeals. (Pet. at 17-18). These problems have nothing to do with the particular substantive body of law at issue in the appeal. There is no countervailing benefit to the Federal Circuit in following its practice. Because remand is required when claim construction changes on appeal (Pet. at 16-17), nothing is gained by the requirement. The conditional cross-appeal is a meaningless procedural hoop.

CONCLUSION

For the reasons set forth herein and in Trinity's original brief, its Petition should be granted.

Respectfully submitted,

LARRY D. CARLSON*
ROBERT M. CHIAVIELLO, JR.
DAVID G. WILLE
BAKER & BOTTS, L.L.P.
2001 Ross Avenue
Dallas, Texas 75201-2980
Telephone: (214) 953-6500
Attorneys for Petitioner

**Counsel of Record*